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A POLICY FOR THE LABOUR PARTY

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CHAPTER I

PARLIAMENT AND THE WORKMAN

When it dawned upon the minds of a few political pioneers of whom George Odger was the chief, that the House of Commons should contain members drawn from the ranks of workmen, the very idea was denounced as the fatal introduction of class interest into an assembly whose representatives alleged that their minds were above class and were concerned alone with the general interests of the nation. Upon this ground the beginnings of the Labour Representation movement were opposed by such typical men as John Bright and Lord Derby.

This has always been the case. Labour's

fight for freedom has always been represented by the other classes as an attempt to secure class domination, whereas it is and has been a claim to share the responsibilities and amenities of life. The class view of Labour is that Labour is a world apart, a world to be kept in tutelage, a world of servants always rumbling with dangerous revolts, and periodically threatening to overwhelm those who are its natural rulers and masters. That view has been held without people being aware of its offensiveness, without their being aware even of its meaning, and those who hold it genuinely feel injured when Labour points out that the vices attributed to it are precisely those to which it objects in its critics. Labour demanded an entry into Parliament because Parliament was a class assembly and because it was in the general interest of the nation that all classes should be there represented. No one disputes that now, but it is enlightening to remember that when it was first mooted, it was very hotly disputed.

From the idea of class representation the movement for Labour representation arose. The nation was composed of classes and its sovereign representative assembly could be representative only if working men were in it.

Thus, the early attempts to secure the return of workmen as members to the House of Commons must not be confused with the Chartist Parliamentary contests, for the Chartists were a political party seeing no special value in working men candidates as such, but caring only for certain political ideas that could be championed by any class, and selecting as candidates men chosen solely for their power of leadership. That is the only possible position for a political party to occupy, and, as I shall show presently, the Labour political movement, after having gone through its class phase, has returned to this correct position.

Mr. George Jacob Holyoake claimed to be the first Labour candidate, and he appeared in Tower Hamlets in 1857. The address which he issued to the electors showed the secularist rather than the workman, and the policy he enunciated was one of political radicalism. He emphasised his Radical rather than his working class position, and in any event he withdrew. The working men were Radicals ; their class consciousness was being expressed only through their Trade Union industrial organisations which were then amalgamating into National Unions, conducting strikes and being traduced as the

enemies of the community. But Karl Marx founded the first International in London in 1864; Garabaldi became a great democratic hero, and the ruling classes, both Whig and Tory, frowned on the popular enthusiasm for him; the extension of the borough franchise was approaching. The leaders of the workers—of whom Robert Applegarth is the only one who still survives—were directing their attention to politics moved by class feelings. A London Working Men's Association was formed with Mr. George Potter, a printer, at its head, to agitate for an extension of the franchise and to promote the interests of the industrial classes. This was in 1866. Although some of the leaders at once broached the subject of running working men for Parliament the idea was so novel and so big that the executive to which the matter was referred "considered" it for over a year, and meanwhile it was middle class Radicals like Mr. T. B. Potter who asked for working class representation. The subject was not even mentioned in the many benefits which the Association in its official publications, notably the *Beehive* paper, claimed would follow from a more democratic franchise.

A judicial decision that Trade Unions were

illegal associations and could not, as they had been assuming, claim the benefits of the Friendly Societies Act, pushed the Industrial organisations and their leaders at once into politics, and, in the autumn of 1867, the Association resolved "to procure a direct representation of Labour interests by the return of working men to Parliament," and a Parliamentary fund was opened. A manifesto was issued "to the people of England" pointing out that middle class Radicals could not represent working class interests; that Parliament represented the landed and moneyed interests, and that were it not so, many men who were there would never have got there at all. The claim for class representation had to be fitted in with a repudiation of narrow class interests and this is how it was done. Classes take different national views. The "nation" is not the same conception to workman and employer, so the claim of the Working Men's Association was this: We want the working class views of the nation to be represented in Parliament in order to balance the commercial and aristocratic views. As to the men after they became Members of Parliament, they would "insensibly and imperceptibly blend with the other members in

the performance of the usual duties expected from the members of the Legislature."

The political organisation of the movement was to be based on Trades Councils, Co-operative Societies and such associations as the parent body itself. Trade Unions as such were not to be directly included as it was deemed inadvisable to turn them into political organisations.

The movement sadly hung fire. The General Election approached, and there were only about half a dozen workmen candidates in the field. Moreover, they were Radicals and were supported by Radicals. The Whig and the Radical wing of the Liberal Party did not love each other, and the working class candidatures were of the nature of splits in the Liberal votes. There were conflicts, negotiations, arbitrations, and in the end only three went to the polls—Mr. Cremer, Mr. Howell and Mr. E. O. Greening. They were all at the bottom and their aggregate vote amounted to 4,012. The Liberal Party fought vigorously against this revolt, but the working men were not yet independent enough to hit back with spirit and generally came out in support of the Liberal candidate who had ousted them on arbitration, or by a trial ballot, or by hustle.

The London Working Men's Association had failed. Then, in 1869, the Labour Representation League was formed to organise the working class constituencies more systematically than its predecessor had done. There was not a single working man in Parliament, its manifesto pointed out, though the franchise had just been widened to secure the representation of working class interests. In a month or two it engaged in its first election and ran Mr. George Odger for Southwark. He was defeated by the interposition of a Liberal who did not withdraw from the poll (it was the time of open voting) until he saw that he was beaten, but by that time he had taken 2,966 votes and thus secured Odger's defeat. It was after this election that John Stuart Mill sent to the Labour candidate a letter which expresses so plainly the position in which the Labour political movement then was that I give it in full :

"Although you have not been successful, I congratulate you on the result of the polling at Southwark as it proves that you have the majority of the Liberal Party with you, and that you have called out an increased amount of political feeling in the borough. It is plain

that the Whigs intend to monopolise political power as long as they can without coalescing with the Radicals. The working men are quite right in allowing Tories to get into the House to defeat this exclusive feeling of the Whigs, and may do it without sacrificing any principles. The working men's policy is to insist on their own representatives and, in default of success, to permit Tories to be sent into the House until the Whig majority is seriously reduced when, of course, the Whigs will be happy to compromise and allow a few working men representatives in the House."

From this it is clear that there was no thought of a Labour Party or a Labour policy. It was "a few working men in the House" as part of another Party and speaking for that Party in the language and from the angle of vision of working men; it was "the majority of the Liberal Party" that had supported Odger.

In the election of 1874, the League fought about a dozen seats and returned two members—Mr. T. Burt and Mr. Alexander MacDonald. Thereafter the League declined. As John Stuart Mill prophesied, the Liberals became more sympathetic. There was really little demand for Labour representation, possible candidates

were not very plentiful, the matter became one for Liberal Associations to decide and they did as little as they could. The mining districts afforded special opportunities for miner candidates; there Liberal Associations had to be generous because they could not help it.

The election of 1880 returned three workmen; that of 1885, eleven—six being from mining districts; that of 1886, ten—five being miners; that of 1892, fifteen—six being miners, and two from Irish constituencies. But meanwhile a new phase had begun. The period of class representation and of dependence upon the Liberal Party for seats was closing. A real political party of Labour, a Party with a distinct policy, an independent Party, a Party with broad national and international views, a Party which dealt with working class problems and which did not concern itself merely with the return of working men to Parliament, had been born. As I have pointed out, the task of the working class movement at this stage was two-fold. It had to open the doors of the House of Commons to workmen and it had to maintain that workmen members of Parliament would be good national representatives. The first part of the task accomplished, as it was by

the time which I have now reached, the second part had to be faced. Can a Labour Member be a National representative ? What has Labour to do to make an affirmative reply unquestionable ?

CHAPTER II

THE LABOUR PARTY

By 1890, two important things had happened. A series of stormy conflicts between the new and the old Trade Union leaders, between the Socialist independents and the Liberal dependents, had taken place in the annual Trade Union Congresses culminating in those of 1887, 1888, 1889 and 1890. The steadily increasing votes of the former showed that they were to win ultimately, and they scored their first victory when Mr. Broadhurst had to resign the Congress Secretaryship in 1890, as a result of the London Dock Strike of 1889, which will be for ever a landmark in the history of our working classes. The Congress in 1890 was in possession of the independents.

Then, at the beginning of the eighties Socialist propaganda had begun, but not until 1888, when Mr. Keir Hardie stood at a bye-election as an Independent Labour candidate for Mid-

Lanark, did that propaganda issue definitely in political action.* In May that year the Scottish Labour Party was formed, and the currents making for a real political Party became evident. At first, they were pretty conflicting and appeared rather in various localities than as a movement from a centre, but they were brought together in the Independent Labour Party which was formed at a Conference of Labour and Socialist bodies held in Bradford on the 13th January 1893.

The Party had two aims—first to propagate Socialism, second, to form a Labour political alliance distinct from other Parties, based not upon class status but upon ideas of social reconstruction and supported by people in all ranks and grades of life. The great massive ground work of the Party however was to be the Trade Union movement, and the national embodiment of that movement was the Trade Union Congress. There the conflict between the old and the new ideas was fought out.

* The two candidates run by the Social Democratic Federation in 1885 for Hampstead and Kennington cannot be treated with seriousness. They were the catspaws of the Tory Party, and their polls of 29 and 32 votes respectively were the fiasco which was deserved. Mr. John Burns ran that year for Nottingham and secured 598 votes, and in some respects that may be regarded as the beginning of the new movement were it not that the Social Democratic Federation commanded no influence on subsequent developments.

Year after year resolutions calling for the formation of an independent political party of Labour were discussed. Some of the old Liberal Labour leaders survived, and as a dwindling guard fought for the ideas and policy of the sixties and the seventies. Some younger ones, desirous above all things of entering Parliament themselves, were determined to get in by the easiest way and had no inclination to raise difficulties with Liberals and engage in a doubtful fight for the building up of a new Party. The miners in particular stood for the old order of Liberal-Labourism ; their leaders were already in the House, and Mr. Smillie was still a young man fighting dogged fights against Mr. Ben Pickard M.P. behind the scenes. In 1892 Congress instructed its Parliamentary Committee to consider and report upon what ought to be done and next year at Belfast a resolution was produced that a Parliamentary Fund should be created from voluntary payments by Trade Unions at the rate of 5/- per 100 members and administered by a separate Committee elected annually by Congress, Candidates were to be selected by localities, but the Committee was to have power to initiate fights ; only men who pledged themselves to Congress resolutions

were to be supported. An amendment was moved limiting support to those who accepted collectivism as the aim of Labour representation, and it was carried by 137 votes to 97. The uncertainty of mind in which the Congress was is, however, shown by the next item on its agenda. Mr. Keir Hardie, then eligible as a delegate, moved that Labour members should be elected, and act when elected, independently of the Liberal and Tory Parties. This received the support of 96 votes and the opposition of 119. Nothing happened. The resolution was impracticable and the Parliamentary Committee was indifferent or opposed.

The spirit of the majority was, however, not to be baffled by intrigue (of which there was much), nor discouraged by indifference. The attack was renewed, and at Plymouth, in 1899, the Congress resolved that "having regard to the decisions of former years, and with a view to securing a better representation of the interests of Labour in the House of Commons" the Parliamentary Committee should "invite the co-operation of all Co-operative, Socialistic, Trade Union and other working class organisations to jointly co-operate on lines mutually agreed upon in convening a special Congress

of representatives from such of the above named organisations as may be willing to take part, to devise ways and means for the securing of an increased number of Labour Members in the next Parliament." There were many difficulties to be overcome. The Parliamentary Committee in its heart pooh-poohed the whole project and handed over the work to be done by others. Its co-operation was less than nominal. It was sure that nothing would result and it would not nominate a joint secretary for the proposed new body, because it was not keen upon sharing in the failure which it confidently anticipated. Some of us were determined, however, that there should be no failure.

The special Congress met in the Memorial Hall, London, on the 27th February, 1900, and resolved to form the Labour Representation Committee. 129 delegates were present representing seventy societies, three of them being Socialist bodies. During the first year 41 Trade Unions (the miners had declined to affiliate and remained outside until 1909), seven Trades Councils and three Socialist Societies had affiliated.

Within a few months of its birth, the Com-

mittee had to face a General Election. It ran 15 candidates, two of whom, Mr. Bell at Derby and Mr. Keir Hardie at Merthyr, were successful, and it polled 62,698 votes out of 177,000 cast in the constituencies which it contested. Next year, 65 Trade Unions, 21 Trades Councils and two Socialist Societies (the Social Democratic Federation having withdrawn) had joined. That was the year when the House of Lords threw the Taff Vale decision at the heads of Trade Unionists, and though it is a profound mistake to assume, as is too commonly done, that this saved the Committee from failure, it did give it a considerable impetus, the affiliated Trade Unions rising to 127, and the Trades Councils to 49. The Committee had taken root and I need not follow its statistical fortunes further.

Discretion moved the conference in the Memorial Hall to adopt the title, "The Labour Representation Committee," rather than one more definitely Party. Organised Labour was by no means ready to plunge into the task of Party making; it was only prepared to try an experiment. After the first election, the Labour members did not even meet to consult each other on Parliamentary business. Each was a

Party in himself. The Conference of 1903 had to pass a resolution instructing its three Members in the House of Commons to form themselves into a group and to meet together!

But the great trouble was with the Liberals. Against our three, there were nine Liberal-Labour Members, and whenever we lifted up our heads in the country, we were told that we were criminally splitting the Liberal vote. Nor could we altogether depend upon our men. They really did not understand their position, the battle in which they were engaged, the consequences of their actions. A new machine had been created but it had to deal with old minds. There was a daily risk that the whole movement would be diverted on to the position of the old Liberal-Labour electoral associations and that men run by us would be used by acute Party managers for our undoing. At that stage, every man who broke his pledges to us was heralded by the Liberal press as one of fine robust independence, and our requests that they should be honourable were represented as attempts to be tyrannical. They were times of trying difficulty—times of *Athanasius contra mundum*—times when every day brought its confusing showers of Lilliputian arrows. We

had either to establish the movement on an independent basis and get everyone to understand where we were, or we had to see the movement dwindle from promise into ineptitude.

An awkward but fortunate incident came to our assistance by forcing an issue and ending indefiniteness. In 1902-3, Mr. Richard Bell, who had been elected for Derby at the General Election, was Chairman of the Committee, and during that year he supported both a Unionist and a Liberal candidate on the ground that he knew them and that they were good fellows. That was his idea of political independence and, as it suited the book of other Parties, he had a powerful press backing. At Newcastle, at the next Conference, the whole matter was debated and it was settled once and for all that the Party was to be independent, and that independence meant that it was not to be the adjunct of any other Party, but that Labour had at last set up political house for itself. Echoes of the dispute came up from time to time, but it was really ended, and Mr. Bell finally disappeared in a government office both from Parliament and his Union.

Thus the first critical point was safely rounded, but the Party was still far from complete.

It was not only called a Committee, it had the limited mind of a Committee. It was composed of organisations alone, the Independent Labour Party section supplying the driving force and the initiative. Only by being members of the Independent Labour Party could middle class or professional people join the movement. Two well defined stages had yet to be gone through and we had to make preparations for dealing with them, but for the time being, thoughts had to be concentrated on the General Election which we saw could not be very long postponed. When it came, in January 1906, we sent 29 Members to Parliament, and though that was no surprise to us, it astonished the country. That done, we were ready to face the further problems of our own evolution. We had passed the Committee stage and so, immediately after the election, the name was changed to "The Labour Party," and at the same time the basis was broadened by the affiliation of Local Labour Committees composed partly of Trade Union and Socialist branches and partly of individual members. Thus the movement became a true national Party.

Some years later the Party had to announce, as with a trumpet blast, that its membership

was open to all and sundry who believed in it, and it drafted the constitution of its local parties so as to provide definitely for sections composed of individual members, both men and women. This, much advertised as it was, was, indeed, no new departure in principle from the decision come to in 1906. The leaders, from the beginning had never any doubt. They were building up a Party not a group—a catholic party founded on ideas, not a Trade Union combination founded upon status. Changes in the Party owing to the war somewhat threw it back in spirit on to class lines, but, at the same time presented it with surprisingly new opportunities which it had either to take or close its doors. These new responsibilities compelled it to recognise the need of general help from all who were willing to assist it on proper terms. Moreover, women had become enfranchised and the Party had to provide for their becoming members and to advertise the fact.

The Party's decision at a late hour to support an International Labour Conference to discuss the terms of Peace whilst the war was still on, followed by one to fight bye-elections and so end the political truce, and then another later on to withdraw its representatives from the

Coalition Government, saved it from an impending split and re-established it as a national Party. So, these decisions, come to with so much hesitation, were indeed the acts by which the Party found its feet and emerged as an adult. They were the manœuvres by which the Party placed itself in front of Liberalism as the antagonist and the alternative of the Government. A new Roland had entered the lists, just at a time when the lists were peculiarly empty. The work of the pioneers had been accomplished and a new national Party, as much entitled to make claims for national support as either the Liberal or the Unionist organisations, was in existence. The position in 1920 is the fulfilment of the intentions of those who created the Labour Representation Committee in 1900. It took twenty years to do, but they are years whose achievements can never be dimmed in the life and history of the British Labour movement.

Before examining those claims a description of the working of the Party may be useful and interesting, and certainly will not be out of place.

The Party is a combination of Trade Unions, Co-operative and Socialist Societies, professional

societies and Local Labour Parties. Few Co-operative Societies have affiliated, but in many places there is a complete understanding between the local Labour Parties and the Co-operative Societies and joint action is taken at all elections, whilst nationally a joint Committee representative of the Labour Party and the Co-operators keeps the two movements in touch. Co-operative candidates are supported by the Labour Party and Labour candidates use the machinery of the Co-operative movement. Thus, though the Co-operators have separate political funds and machinery, action is always joint. The local Labour Parties are composed of the branches of national Societies—Trade Union and Socialist—and individual members, women being organised into separate groups. Unlike other political Parties, the Labour Party's funds are derived from constitutionally fixed payments per head of its membership, and from an annual fee of affiliation paid by the local Labour Parties, and it publishes its accounts which are subject to examination by the annual Conference.

Its annual Conference is attended only by delegates, limited in number and in voting power, from affiliated Societies and Parties,

and the Conference elects an Executive of twenty-three members, thirteen of whom are chosen from nominations sent in by the affiliated Societies, including the Socialist Societies, five from nominations by Local Labour Parties, and four women ; but though nominations are confined to these the whole of the Conference votes so that the final choice rests with the body of delegates.

Candidates for Parliament are, in the first instance, nominated by affiliated Societies or Local Labour Parties and any member of the Party is eligible, though Societies as a rule nominate from their own membership and thus maintain a habit of narrowing the field from which candidates are selected. This may become dangerous and must be watched. The nominating Society must give to the Executive financial guarantees that there will be no failure in their representatives going to the poll, and thus there is a danger that the Labour Party list for an election may be overweighted by men chosen by Trade Unions from officials financed by their Unions but whose training does not fit them to be efficient Members of Parliament. It may also follow that when Societies have spent money in certain constituencies, or where

their membership is strong, as in coal and cotton areas, the idea insensibly grows up that such constituencies belong to certain Unions and that their representation must be by members of such Unions. We must not forget that the stout joint purse of associated workmen may produce the same species of evil political results as that of the plutocrat. This has been noticable in recent years when bye-elections have been used to maintain Trade representation rather than strengthen Labour representation. The safeguard against this, however, lies in the intelligence and determination of selection conferences to procure the best candidates and not those most easily financed, and the National Executive, if it does its duty, can wield a salutary influence in this respect. The danger is real on paper, but the good sense of the Party as a whole and particularly of the individual members, can easily safeguard it against such misfortunes.

When elected, the Parliamentary Party, which meets weekly, is free to pursue its own policy within the general limits of principle and programme defined by annual Conferences, but to keep the Party in the House and in the country in close touch with each other, the

Parliamentary chairman attends the meetings of the Executive, and the Executive chairman, those of the Parliamentary Party. There is also a standing joint Committee of representatives of the Executive and the Members of Parliament, and frequent joint meetings of the whole of the Party and the Executive are held. Thus, the Parliamentary Party retains liberty but continues in co-operation with the movement it represents. This machinery is by far and away the best that is adopted by any Party to keep itself in touch with the vital concerns of the community.

In this way has the Party evolved, thus it works, and I shall now consider for what it works.

CHAPTER III

ITS CONCEPTION OF SOCIETY

Too many people who express views about the Labour Party assume that its conception of Society is that of a community of wage earners holding the professional classes in low esteem and in subordination and subjection, and though the Labour Party has officially declared* that it is a combination of workers both by hand and brain, these critics sometimes appear to have much justification for their erroneous opinion. Part of the motive for the creation of the Labour Party has undoubtedly been a resentment on the part of the educated and self-respecting workers against their treatment by Society, and part of its work has been to place a certain number of men, as working men, into the House of Commons in order to adjust the class balance of Parliament and to have direct experience of working class lives

* See Labour Party Leaflet No. 2, "Why Brain Workers should join the Labour Party" (Labour Party, 33, Eccleston Square, London, S.W.).

available for legislation and administration. There undoubtedly has also been some jealousy and suspicion shown by the working class of men, who, whilst not belonging to them, have become associated politically with them. The fault has often been on both sides, both having failed to get into full sympathy with each other. We must show some discrimination, however, in interpreting the mind of Labour. It has its reasons, if we would take the trouble to understand them.

The community has not dealt fairly with Labour. It has shown but little interest in Labour's struggles for a decent life and freedom, and to this day when Labour is driven to fight for what it conceives to be justice, the first impulse of the community is to condemn it. Whoever cares, for instance, to go back through newspaper files for, say, the past quarter of a century and trace the beginnings of agitations which have produced fruits that are now accepted as good, will find that in nearly every instance public opinion was antagonistic, and if it could not condemn the intentions of the men it always found some excuse to disagree with their methods. No class of workmen, for instance, has been more unjustly and ignorantly

abused than the miners, and at the same time no class has had a harder battle to fight in order to extricate itself from the inhuman results of social neglect. Thus it has come that between public opinion—or newspaper opinion which is the opinion on the one hand of those who control newspapers and of those on the other who repeat their promptings—and that of organised Labour, there is little contact. Whilst, during the railway strike of the autumn of 1919, public opinion was wrathful against a section alleged to be holding up the whole community, that section remained completely unmoved and regarded the accusation as just one more piece of evidence that the majority of people were morally and intellectually lazy and would never consider the merits of a claim if it disturbed their equanimity or their convenience. The public cared nothing about the railway servants if it could secure a cheap and uninterrupted train service. That was the men's frame of mind, and whoever listened to general conversation in those days must have felt how much force was in the men's view.*

* Readers who doubt the argument in this paragraph would do well to study such impartial records as the three books by Mr. and Mrs. J. L. Hammond—"The Village Labourer," "The Town Labourer," and "The Skilled Labourer."

The divorce between the professional or middle, and the working or lower, classes has had deplorable results for both sides. It has drawn the former away from the robust realities of physical toil and has made them turn their attention to false values, to gentility, to an outward show which has been for the most part a confession of bankruptcy in mind and spirit; it has deprived the latter of its natural stimulant of culture and comfort. It has enslaved the former to an adoration of classes whose life it cannot share, and which it can only imitate in outward things bought by wealth or counterfeited; it has cut off the latter from its true higher grades by inducing the men who have risen in it to leave it and associate themselves with other classes. It has made the former imitative and the latter impoverished. Whereas the relation between the two groups should have been like that of two functions in one unity, it has been one of separation, enmity and misunderstanding. If we could only get the children of the working class whose brains have made them professional to remember the fathers and mothers who begat them and the neighbours with whom they were brought up, we should soon have a moral revolution in

society. The true separation in society is the moral and economic line of division between the producer and non-producer, between those who possess without serving and those who serve, whereas the separation between the professional classes and labour has made the line of division a purely psychological one which is not without its reason in the different modes of life of the two classes, but which nevertheless is mischievous and ought to be obliterated. The professional and working classes are the complements of each other in well ordered society and are natural allies in the government of the State.

The war has given us an opportunity to revise many of our false class notions and prejudices. It has taught the superior man to understand and value the inferior man, just as it has taught so many previously unenlightened men to understand and value women. It has shown the middle classes—especially the lower middle classes—how the economic antagonism between the parasite and the worker does not coincide with the psychological antagonism between the middle class and the working class, and how the social bonds of common interest join these two together. It has driven the

economic organisations of the professional and middle classes, like the National Union of Teachers, into purely Trade Union action. In so doing, it has taught them to sympathise with the mind of the workmen and has drawn them away from habits and assumptions which prejudiced the workmen in their eyes. It has given them a glimmering idea of the co-operative industrial community in which hands and heads will work together for the common benefit. As education grows into enlightenment on both sides, this process will go on and the superficial bad taste, snobbishness and the other moral weaknesses which showed themselves as repulsions between the working and professional classes will tend to disappear.

The war has done more than that. By changing the economic position of the middle classes through increasing prices, by augmenting the power of the financier, by extending the operations of trusts and making life harder, it has brought great sections of the middle classes under the same harrow as Labour and so to the same general political point of view. Labour's propcsals regarding national taxation, for instance, are exactly what the heavily burdened middle class needs for relief, and its foreign

policy is the only one that can appeal to middle class intelligence. Thus, anxiety, responsibility and misfortune conspire to make social groupings natural and to expose in all their worthlessness the sham affinities by which the middle classes have been deluded. A middle class which is the economic prey of financiers, which is being outstripped in culture by an ever broadening stratum of the working classes, and which finds itself more and more isolated amidst the knick-knacks of gentility and the paper flowers of respectibility, must resurvey its social relationships. When it does so, it will find that its true alliance is with Labour and not with finance, with work and not with parasitism. This union will invigorate both classes and bring to each the qualities which both require to enable them to serve the community as the community now needs.

At the same time, the intelligentsia of all classes have had their interests turned in the direction of those ideas and that outlook known as Labour. That there is something seriously wrong with the world is only too evident; that the old governing classes have failed is only too evident; and as they cannot be said to have become bankrupt in personal ability, their

failure must be attributed to their ideas and to the systems and the policies which they have worked. That is the negative side. On the positive side, the war has given Labour a new importance and has revealed its stability, and minds in search of something tangible and honest have found in its very ruggedness and simplicity something which belongs to nature, something which is precious in a society of artificiality. Its proposals both as regards national and international affairs, its vision, its directness of approach to living realities, its *Realpolitik*, commend it to minds wearied and disillusioned by the old, and seeking a new, political allegiance. It comes with the freshness and the promise of youth in a worn, battered and dim sighted world, and if its message is in some respects startling and novel, it is not so much so as it was before the war. It has thrown much light upon the war, and the war has shown how practical some of its apparent impracticalities are. The man of intellectual keenness is searching for a body of truth which the condition of the world shows him he has hitherto missed, and Labour's message meets him by the way, interests him and holds him.

This unnatural division between the pro-

fessional and the labouring classes is only part of the general disruption of social bonds and destruction of social fellowship which capitalism has produced. We cannot, however, transform this state of division of interest and this class friction into communal co-operation in a day, nor can we expect that organised Labour, endowed with a somewhat sudden accession of power, will at once show a higher standard of social cohesion and morality than that to which it has been accustomed. The Labour Party must, therefore, be expected to show class bias and suspicion, and be moved in its impulsive action by reminiscences of its past experience. This goes far to explain the attitude adopted by the purely working class section to middle class and professional champions of the Party. Labour understands the opposition of these classes, and it also understands their position in the Liberal and Conservative Parties. That belongs to the world of things into which this generation was born, and when these men approach the workman as Liberal or Tory politicians they appear to be acting after their kind. Their existence is taken for granted. They are then of the established order. Labour suffers some confusion, however, when, after

having created a Party to bring its own mind and experience directly into politics, it finds alongside of itself people from whom it has not been accustomed to receive sympathy, and whom it expected to have to fight. When hewers of wood and drawers of water attain to power, they are naturally suspicious. Can anyone but themselves represent themselves ? They have a feeling that unless they can control the men whom they make, they will be sold into a new bondage. Can they control those men whose abilities are not like theirs, whose minds are nimbler, whose actions are freer and whose theories and statements are a little more complicated and less dogmatic ? Thus, however bad policy it may be for the Unions of the Miners and the Cotton Operatives (to mention the two that have been held up as the greatest sinners in this respect) to earmark the seats where their members are concentrated and to say : " The candidate for this must always be a miner, and the candidate for that always a cotton operative," the human nature that is influencing them must be admitted.

I do not refrain from pointing out these weaknesses for they have to be faced. To idealise the Labour Party into some divine body

and to attribute to it, or ask from it, qualities which no other Party has ever shown or indicates any tendency to show, is foolish. In no sense is either the Liberal or the Unionist Party less class or more national than the Labour Party—the Labour Party when all its faults are confessed. This, however, has to be pointed out: these blemishes of narrowness and suspicion are much less prevalent to-day in the Labour Party than they have been. They will disappear as the Party has had experience. Responsibility shatters all the bonds of narrow dogmatic theories; co-operation breaks the barriers between class and class which suspicion so assiduously erects; enfranchisement produces the reasonable mind. Labour has to prove its new associates, and in the light of the past these associates cannot reasonably object to being put to the test.

This is the part of Labour's conduct which is the product of its history; this in biological language is its herd mind; this is the price which society has to pay for allowing Labour to be outcast. Labour has fought; Labour has won; Labour fears the Greeks even when bringing gifts. Every wise man will try and hasten the payment of this evil account so as to close it and open a new one.

There is however another part of Labour's mind of a totally different kind, which comes from a source as pure as the historical one is polluted. Labour's conception of society as a whole is not that of a class, and its ideas are in reality less class conscious than are those of any other Party. Other Parties complacently believe that they are national. Labour has proved in its experience that they are class, and its opposition to them consists of a more comprehensive view of national need and national welfare than is theirs.

The immediate parent of the Labour Party was the British Socialist movement as embodied in the Independent Labour Party, and it received from that Party the conception of society as a co-operating and organic unity of different functions and services. The Liberal and Conservative economic and political doctrine has been that the dominant interest in production must be Capital whilst Labour must remain subordinate, and the dominant interest in government must be of the same order whilst Labour may be brought in only in so far as it accommodates its mind and habits to "the governing class"; the Labour doctrine is that the workman must be a responsible and

self-respecting agent in production whose interests must be set in co-operation with the brains of management and the needs of the consuming public, and that in government the interests of the workman and his point of view when made responsible for communal wellbeing will produce better human results than government by " a governing class " has or ever can.

This is well illustrated in the scheme for the management of nationalised mines drafted by the Miners' Federation itself and referred to at greater length in another chapter. The proposal is the antithesis of a class control scheme, of a " Mines for the Miners " demand, of a " Labour alone is Society " theory. It is the embodiment of the conception of Society as a combination of workers, managers, consumers—the muscle and the brain co-operating in production and both co-operating with the public in ascertaining and supplying the general need. When it is compared with the schemes produced by the Government, or with that which Mr. Asquith on behalf of his Party launched during the Paisley election* it is characterised not only by a superiority in practicality and an advantage in

* See " The Paisley Policy," pp. 35, 73. Mr. Asquith, however, does not seem to have studied the Miners' official scheme. *c.f.* p. 73. See also pp. 90-94 of this book.

its promise of industrial peace and efficient production, but by the comprehensiveness of its view of social co-operation and of the various interests involved in the proper use and exploitation of our national resources. Documents like this of the Miners' Federation are the real test of Labour's view of Society, and not the unconsidered phrases thrown off by propagandists or disputants who wish to make a clear and absolute point or raise a cheer.

Those who are best acquainted with the Labour Party from the inside know that the impetus which it has had from its historical experiences is very much less than that which it has had from its idealism. Its pioneers and the men who have made it both nationally and locally, have belonged, not to the crude pagan hustling type of careless word and happy-go-lucky thought, but to that which has hammered itself on the anvil of life in order to improve its temper and fit itself for conflicts of mind and spirit. Indeed, it is not boasting to claim that the growth of the Labour Party has been owing to the rise within Labour organisations of an intellectual class of workmen who were influenced a good generation later than the intellectual classes were by the literary and

spiritual movements of the Mid-Victorian time embodied in the works of Carlyle and Ruskin. Later came Morris the artistic craftsman, Tolstoy the humanist and the stream of Socialist writers. Whereas continental Socialism was a product of dogmatic materialism with the class war as its guiding idea, in this country humanism was the note of Socialist thought and the whole community its concern. Abroad, even under constitutional Parliamentarianism, Parties were divided by dogmatic differences and systems of thought more or less philosophical and largely metaphysical; here, where the daily changes in social relationships and political policy kept Parties from stranding upon logical sandbanks, Socialism took its stand upon evolutionary theories which regarded political conflicts as the strife within society between perennial growth and the dead wood of the past. Whether one sees progress as the struggle between vested and unvested interests for power, or the effort of the whole life of Society for freedom, is of fundamental importance, and the second view was that of the Independent Labour Party and of predominant British Socialism. The British Socialist Societies which took the other, or Continental, view never flourished in this

country. That gives the key to what is the conception of Society held by the Labour Party to-day.

Society is a unity of those who give necessary service to each other. The mere parasite or toll receiver is ruled out from such a community, not because he is rich, but because he is useless and has to live on other people's labour. A person who does no work, however, is not always a parasite. Every community has its obligations to its people who cannot work and must share its wealth with them—its children, its aged, its members stricken in some way which forbids their working. Whether these are provided for in the most ideal way by the reestablishment of the family on such an ample economic basis as will enable it once more to be of itself a real community of affection, or whether in the less satisfactory way which, in accordance with the materialist spirit of capitalism, is now becoming so prevalent, out of public funds, I do not discuss here as I am only concerned for the moment with emphasising the fact that all communities must provide for a section of non-producers even when they have succeeded in weeding out the parasites. Apart from that, however, the community of the

future is to be one of service givers. What service? A community of men living on the level of beasts from day to day would require only the service of manual workers; one living on the level of beasts who had some notion of continued enjoyment and economy (very nearly the pure capitalist level) would use the services of manual labourers with a few brain workers; one living on the level of rational men would require the service of everyone supplying human needs from coal to poetry, from clothing to inspiration. Such is the community which the Labour Party has in its mind, and such is the variety of service which it recognises as profitable and worthy of reward. The Party thinks of the needs of man—his pocket, his mind, his spirit. It knows that he cannot live by bread alone and that it requires more than bakers in Parliament to represent the services which contribute to man's sustenance. If it challenges the prevailing spirit which makes the classes (and those who think they belong to the classes, usually when they do no such thing) look down upon Labour, it does so, not because it wishes Labour to sit on the seats of the select and lord it over them, but because it wishes to dignify Labour with self-respect and responsibility,

prepare it for a companionship with all the other service givers and endow it with inward resources by which it will not only acquire dignity in its own eyes but win for itself an unquestioned equality amongst others. Such a unity of mutual helpers performing a great diversity of functions in a great diversity of ways, all equal and yet different, some toiling at drudgery in the shadowy valleys, others knowing what joyful work is on the summer slopes, others in full freedom and satisfaction in service on the hill tops, but all united by communal bonds of mutual necessity, each giving his best and taking what he can use for his material and spiritual enrichment—that is the Labour Party's idea of an industrial Society.

Life will always impose upon the people the obligation to labour, and the labourer, awakened in mind by the honoured place he holds in the community, will always call for art and joyfulness—will always call for science. For, he who knows, or who is armed with what knowledge has produced, will be the best workman, and he who lives in a beauty which he feels, will always find the most easily the broadest and the surest way to freedom.

That being so, how can the Party seek to

capture Parliament in the interests of a mere class ? How can its vision be limited to wages and to getting for the workman everything that can be wrung out of a community which he treats as a victim ? That is only a caricature of Labour intentions. The vision which it sets before it is the great human Society of diverse functions and mutual aid knit together by conceptions of common good.

In striking contrast to the conception of Society held by the Labour Party is that of the other political Parties, and nothing is more absurd than their claims that they hold a superior position in this respect. The Conservative view still remains Feudal. Society to it is still a gradation of classes of varying superiority held together by benevolence and charity. There are classes " doing their duty " to lower classes, working not with them but in some mysterious way for them, enjoying a special status and performing a special governing function. The divine right of Kings and aristocracies has disappeared from the professed creed of the Conservative Party, but its spirit remains. The growth of a capitalist class has destroyed the political dominance of the old aristocratic landed families and has debased

aristocracy by a vulgar wealth too new to have been toned down by the mosses and lichens which give an æsthetic value to social dominance. Modern conservatism is the personal and the group interests of a new hybrid social class which has tried to buy the reputation of the old aristocracy with its houses, its acres, and its furniture. The reputation suited it awkwardly and it has been renovated in Tottenham Court Road. On its political side, Conservatism no longer resists but welcomes a democratic franchise because experience has shown it that it can manipulate that franchise, and owing to its control of the press and the influences that make opinion, it can get from a wide electorate—especially from the broad margin of electors who take no rational or abiding interest in politics or in their national affairs—mandates which suit itself. The democracy has become its tool, and it finds renewed strength in masses of newly enfranchised people. In unawakened subordinate minds it finds both its strength and its justification.

The Liberal view is equally narrow and incomplete. It regards the mass of electors with more respect than does the Conservative, and it trusts more to a serious intelligence

amongst them. It does believe that the mass can develop the strength and the virtue of self government, and therefore as a political creed Liberalism is far superior to Conservatism. But the Society which Liberalism upholds is still one of classes which in their economic relationship is purely materialist. It is a Thing. Liberalism is content that Society should be dominated by purely trading considerations and that the workshop and the counting house fighting other workshops and counting houses should determine the standard and conditions of the social life of the people. When Mr. Asquith found himself at Paisley confronted with a candidate who was producing a programme drawn from conceptions of the Great Co-operating State, his confusion of mind was apparent, and he fell back upon views which were up-to-date and "Liberal" a century ago. Compelled to think of the whole community, he could only grasp the idea of a dominant commercial class, and he expounded a creed of individualism as antiquated as Queen Anne. Indeed, Liberalism as a working creed has long ago bid adieu to Paisley. It has, however, found no new habitation in thought and consequently it fails to command the interest of the electors.

Its experienced Parliamentarians may be lively critics of the Government, but they cannot form and lead public opinion. In the hustle of matters pressing for attention the Liberal Party is exposed to whatever pressure is strongest upon it at the moment. When proposals like Nationalisation of the Mines are made and they are still in their propaganda state, Mr. Asquith opposes them on grounds which he calls principle,—a principle, however, which, in other respects like municipal trams, he has abandoned. On finance, a levy on wealth is opposed, but as the pressure of opinion and of need is great, principle is again abandoned for expediency, and a levy on war wealth is suggested as a half way concession. The rigid dogmatist is a pest in politics, but the Party that has no notion as to where it goes and no guiding ideas as to whither it leads the country, is a danger particularly menacing in these times of reconstruction. Liberalism to-day consists of a series of compromises arrived at by pressure and devoid of ideas.

CHAPTER IV

THE METHOD OF SOCIAL TRANSFORMATION

War exhausts itself in revolution and the more completely that the war has been fought, the freer become the passions of anarchy and the more shattered are the mind and the fabric of order. During the last months of the fighting the single purpose served by the war was to release the forces of revolution. There may be excuses for that, but with extraordinary blindness we have been nursing these same revolutionary forces since the armistice. If civilization is receiving its death blow, it is not so much by what happened during the war, as by what has happened since. We are now surrounded by storm-tossed and wrecked states; we are breathing an atmosphere charged with electric tension; social cohesion and its working axioms have been set aside over the greater part of Europe; settled political habit is much damaged and men's minds, freed from the controlling

bonds of custom, are working upon absolute theories; the herd has been scattered and its members are under the influence of their separate wills and are scurrying about under the guidance of their separate fears; violence, of wills and of fists, for the time being has become the means by which many things are to be done and done quickly. Such is the after-war psychology and the after-war politics.

This breeds fear, over-caution, repression. The great weakness of fear is that it cannot discriminate between friend and foe, between good and bad. The great weakness of over-caution is that it mistrusts freedom and will not face the risks of the troubled waters which when crossed bring us to peace. The great weakness of repression is that it strengthens the menace which it attempts to allay. The community which faces the menaces of revolution most successfully is the one which goes forward boldly meeting the lions (and the roarings with no lions behind them) on its path and heaping responsibility after responsibility upon those who lead in the unsettlement. The problem for States passing through revolutionary conditions is to prevent the revolutionists from separating from the mass, exactly the

opposite policy to that pursued by governments in a panic. Because this country has hitherto shown most of this genius of the calm and the bold political mind, it has remained unshaken whilst other countries have been riven by earthquakes.

Great, therefore, is the misfortune that will befall us, if politicians, in order to secure for themselves and for the class in whose interests they act a troubled and uncertain continuance of power, mobilise fears and prejudices in support of their Party, and arouse against other Parties not an intellectual but an emotional opposition, an opposition of disturbed nerves rather than one of a convinced intelligence, an opposition which seeks shelter behind walls of ignorance rather than one which, arming itself with reason and knowledge, comes boldly out into the open and there maintains its ground.

Revolution is a word used in two senses of totally different significance. It may mean simply a great change brought about by organic transforming efforts; it may mean a violent outburst of force and a seizure of power and its temporary arbitrary use. In one case it is the accomplished change that marks the revolution, in the other it is the violent means

that mark it. In the one case it is something which is in operation day by day in every growing and transforming Society ; in the other, it happens but rarely and only when ordered change is broken and pent-up grievances and passions are let loose in a devastating flood. In the one case, it concerns itself with reality and every act is of permanent value and is assimilated in the structure of Society ; in the other, its violence may pass and, but for its remnants of destruction and its scars, leave little trace behind. In the one case, it belongs to the normal growth of Society and is the progress of the expanding life of Society ; in the other, it belongs to abnormal growth and is the creation of obstructions within Society to expansion and adaptation. In the one case, it is the conflict between the enfolded leaves and the containing sheath in the living tree in the spring time ; in the other it is the cutting down of the barren fig tree in the hope that new shoots will come up from its roots. To use the word "revolution" indiscriminately for both cases leads to confusion, and though, in the state of mind in which the world is to-day, men who employ the words and phrases of bravado and fear, of romance and terror,

delight in the confusion, others will be particularly careful to discriminate and distinguish. Thus, it is not what is called an " advanced " programme that is revolutionary, except in the first use of the word.

For the purpose of accuracy I am in this chapter to confine the word to its latter meaning of change by violence and catastrophe. Revolution means the attempt to gain by the use of force an end which would still be remote if sought peaceably—to break down by violence obstacles which cannot be removed by reason because reason is not allowed to play upon them. The philosophy of revolution may be stated thus :—If reason and the impulses of development are baffled in Society, the need which they express may only be comprehended by minorities, but they will still cause revolutions. The " advanced " programme so far, therefore, from being the prelude to a revolution is indeed a sure safeguard against it. Supposing it is true, as I contend in this book that it is, that the relationship between the economic classes of Society now requires a drastic readjustment and that government must be reconsidered in relation to the life and mind of an educated and politically conscious working class, a failure

of the existing order to respond, a successful attempt to organise the existing governing interests in opposition, a manipulation of elections on false issues or absurd fears, mean the destruction of Parliament as the organ which expresses the real will of the nation. This will not be the triumph of order and the safety of the community, but the destruction of the one and the confusion of the other. Therefore, the recent attempts of the Prime Minister and some of his subordinates to rouse the unreasoning fears of the nation against the Labour Party on account of its programme, belong not to the forces which protect Society but to those which destroy it—not to those which ward off revolution but to those which make it inevitable. In this way, the substance of the proposals for change are not discussed, they are labelled ; the transforming thoughts are not assimilated, they are baffled ; growth is forbidden and disruption prepared.

The political method as opposed to the revolutionary method of change, has nothing to do with Conservatism or Liberalism, reaction or progress. It is only concerned with how Society provides for its own necessary growth. Each generation records and possesses itself of

its own triumphs and gains, and at the same time leaves its imperfections and failures for the next to remedy. The pioneer constructs his ideal systems using his experienced shortcomings and his creative imagination as his guide. He starts with the need to get out of something ; he goes on to create the conditions under which he would like to be. In this, he is functioning for Society, and therefore he must have freedom, the freedom of an advocate to influence a judge, the freedom of an experimenter to prove his hypothesis. In the process, his absolute theories become practical policies, pure thought is assimilated to actual life, and the organised system of Society moves on towards greater perfection and an extended liberty. Thus, the safeguard of Society is that it remains adaptable and that it preserves itself against ossification ; that it continues under the sovereignty of the judicial and practical reason and holds off the authority of nerveless and prejudiced fear. And this is particularly the concern of Society in times of revolutionary ferment such as the period of transition between a state of war, when force and passion have blazed and flared and consumed like a furnace in men's minds, and a state of peaceful and

ordered life. Then, on the one hand, the revolutionary is active, impatient with the slow passing days and maddened that the opportunities to make rapid change are vanishing, still moved by the spirit of masterful force which the nation nurtured for its own preservation whilst its enemy was in the field against it; on the other hand, sections of the old governing order are also active, using every means in their power to protect themselves, buttressing their authority with the emotional products of the war mind, a dictatorship of fear. The one is confessedly, and the other, though not confessedly yet very really, revolutionary. Both are preachers of doctrines of false progress and security and the agents of the forces which stifle natural growth and block up all the channels through which the transforming life of Society runs. Both make growth explosive. From both sides the political methods of reform for which the Labour Party stands are assailed. On the one hand its political beliefs are set down as pusillanimous and as a surrender of its opportunities, whilst on the other hand, its "advanced" programme is presented as the bugle call for the revolution and the battering ram set up against the walls

of Society. The two are allies working from opposite extremes, clothed in different liveries, but obedient to the orders of the same commander-in-chief—him who has banished from his General Staff every mind that is moved by reason, and who is surrounded only by those who believe in the capture of authority and the absolute sovereignty of power.

Amongst the shiftings and twistings of the demagogues to whom political controversy is but the art of ready wit and of libelling, there has appeared recently the plea that, though the Labour Party in the main believes in ordered progress, it is really in the hands of its extremists who, by some miraculous process, are in a position to impose their will upon the Party. The argument is that, at the moment of its success, the Party will be compelled to adopt principles and methods which it has hitherto rejected and to follow those which it knows will, at the best, be futile and, in all likelihood, destroy it for ever as a political power. This kind of argument belongs to the nonsense which the little nursery maid offers to credulous babes to keep them obedient and quiet under her authority. "Hush, you naughty thing, or the Bolshevists will get you."

Every Party has its extremists. The Liberals once had the Chamberlain Radicals whose policy of ransom disturbed the peace of mind of many a worthy old lady; later on, they had Limehouse orations which flared like bale-fires from every hill top making the timorous scurry into Tory camps for safety. On the left of the Labour Party to-day there is a revolutionary section which would not be offended were I to call it Bolshevist, which does not believe in political methods, which condemns Parliament and democracy as mere Capitalist appendages. This section, however, does not work through the Labour Party but is bitterly opposed to it. It knows that the success of the Labour Party is to put obstacles in its own way, that every rebuff suffered by the Party adds to its strength, and that a Labour Government properly manned and wisely led would be its undoing. The section contains many people who, if they could be convinced that the political method would be effective, would not only be its champions but its able agents. These extremists are the pioneers of progress, the people who can never make a home in an army of occupation but who must always be found amongst the scouting troops. They may create great difficulties and

may disturb provokingly our self-complacency, but they are of the salt of the earth—and also its yeast. The real problem they create is how to harness them to responsibility, whereas the problem created by the demagogue who uses them to frighten timorous people is how to crush him out. The one can be turned to great national use, whilst the other can be nothing but a national peril. We need not be timorous of the so-called extremist. He is a colt who will soon be pulling with the team, or who will soon kick his fire out and sink into the featureless crowd of the patient but complaining. We need to be timorous of the demagogue, however. History is lumbered with the nations he has wrecked.

The only class of extremists that is of any importance at the present day is that which has been created by the failure of Parliament. It has experienced at home a General Election (1918) in which political judgment played an insignificantly subordinate part and no real national interest was considered ; it has beheld with contempt the coalition of old Parties on the dishonest plea of national unity, and it has watched how a Government that has mishandled every European concern, wasted public resources,

degraded public honours, failed in grappling with pressing needs like housing or prices, handled Labour difficulties in such a way as to increase sectional appetites and encourage social unsettlement, has retained office in spite of the verdict of bye-elections and the humiliations to which it has been subject. We have also beheld some of the most worthless of men winning the confidence of the crowds whilst inflamed by war emotion.*

The people composing this class have lost patience with it all; they have lost respect for it all. They see no end to the old fashioned political methods. They do not see carelessness and ignorance becoming careful and wise by enfranchisement. Elections only appear to them to perpetuate the incompetence which they reveal. To move the crowd by enlightened reason seems to be impossible. Reason is not the way of progress. Some new method must be

* The same indictment, expressed not against a Party but stated as a scientific fact by a thinker who is not engaged in political controversy but in psychological investigation, is found in Mr. Trotter's "*Instincts of the Herd*," pp. 114-118. For the qualities of a political leader "there need be no specially arduous training, no great weight of knowledge either of affairs or the human heart, no receptiveness to new ideas, no outlook into reality. Indeed, the mere absence of such seems to be an advantage." The whole passage has to be read, as it is an important scientific discussion of the instincts and other mental and political forces which have to be considered by whoever is seriously concerned about the condition of Europe to-day both as to events and to frames of mind.

discovered. That is their reasoning, and so far as it is descriptive it is pretty accurate and does indicate shortcomings for which those who believe in political methods must propose remedies.

The extremists' remedies are inadequate, are proposed without due consideration of consequences and after an examination of far too limited a range of facts; they are the conclusions of an impatient man rather than the decisions of a wise one. They are of two different orders. First of all, Russia has given the suggestion of the dictatorship of the proletariat and the Soviet form of Government; and then, the power of Trade Unions to stop production, and in some degree to paralyse Society, has given birth to the idea that by industrial action the working classes can impose their will on the community just as the Allies imposed theirs upon enemy states by the blockade. In fact the policy of "Direct Action" is only an application of the policy of the blockade to the class struggle. Industrial action is regarded as the only effective democratic action.

The defence of the Russian method rests upon the assumption that the bulk of the people will accept what is imposed upon them, that

they are really negative mentally, that though they will never emancipate themselves they will allow a minority to establish a new order of Society and then, finding its advantages, will support that order against reaction. This flimsy structure only requires to be explained to be condemned. It is a characteristic example of a pure reaction. It may be quite true that a minority in a herd can by a gesture or a dramatic act of will acquire authority over the herd and command its instinctive emotions. That is sound psychology perhaps. But the problem of the revolutionist when he considers ends and not means is not emotional. It relates to the remodelling of structure and the reforming of habit, and both of these belong to the reason. When we are told that the Russian dictatorship has remodelled Society, we reply that the Russian experiment is yet incomplete and unstable and it has shown tendencies to revert to conditions well within the possibility of political change by Parliamentary forms. No man of practical reason will ever dream of taking an experiment still in process as a model. The Russian political character which is making the experiment is, moreover, very different from that of any other European people (not because

of its race but because of its history), being at once freer in its economic and local life and more ready to allow of despotism in its national government. In Great Britain the conditions favourable for a dictatorship do not exist as they did in Russia, and in order to create them we should have deliberately to submit the country to a social convulsion which is never arranged upon plans of revolutionaries but is the result of the acts of governments themselves. Therefore, the first move in the game is not under the control of the revolutionaries but of their governments. Famine and famine prices may well hasten convulsions, and a continuation of such governments as the Coalition may well enliven the mood of revolution, but for a Party to scheme for such an evolution of events hardly amounts to folly ; it is not more than child's play. There will be no Bolshevism in this country unless the government makes it, and any political section that commits itself to it is ruling itself out of the serious movements in our national life. There must be revolutionary conditions before there is any substantial response to revolutionary propaganda.

One argument used by this section is, however, worthy of some thought. It is said that if the

Labour Party came into office it would not come into power because a Parliamentary majority of itself does not give power, and the threatened interests would block Parliamentary business so as to destroy Parliament, and would at the same time prepare for some Kapp-Ludendorff *coup d'état*. If this were to happen, the Parliamentary Labour Party would undoubtedly be in a tight fix. Leaving the *coup d'état* out of account, an obstruction of Parliament in order to destroy Parliament would be as much a declaration of a revolution as would be the mustering of a White Guard. The decisive distinction in this country between a constitutional order and a revolution is an effective Parliament. Supposing that Parliamentary revolutionary action were taken, a Labour Government with industrial power behind it could defend Parliament against revolutionary destruction. //I can imagine, when the Parliamentary minority has clearly shown its revolutionary hand, how the Labour Premier would at once summon a special Trade Union and Labour Party Conference and place the facts before it ; I can imagine the consequent organisation of political and industrial action to counter the revolutionary move ; I can

imagine the result, troublesome no doubt in some of its features, but worked out in such a way as to make its defensive character plain, as to make the responsibility of the minority clear, as to vindicate in the end democratic Parliamentary constitutionalism. I refer to this not because I think such a crisis is inevitable as some hold it to be, but because I think it worth while showing that were the folly of those who compose and support the present Government so great as to force such a crisis upon a Labour Government, it could be met without that Government resorting to any of the wild expedients now advocated by those called "Extremists," Bolshevists and other names of prejudice and opprobrium. I also refer to it in order to indicate that the Labour weapon against reactionary revolution is not armed force but a strike with the government at its head, such as happened in Germany when Kapp marched into Berlin.

The other group which places "Direct Action," e.g. Industrial action, over against political action, though for the moment co-operating with Bolshevist sections, does not necessarily belong to them. A strike is purely a defensive weapon, and the Direct Actionist has no idea

of constructive work. He is either a pure revolutionist or believes in the blockade. No political party can live on such creeds, and, for the purpose of this book, I am not required to discuss these proposals further.

There is yet another group of people who is on the border line of "Extremists." They are those who believe in setting up a series of industrial councils beginning with the workshops, and going upwards through districts, complete trades, federations of trades, a national council of all trades, with a similar organisation for consumers. This is the industrially organised State. What is to be said for these people ?

Compared with the State of 1832, or even with the State of 1900, the State of to-day has undergone a revolutionary change. Its industrial character has become predominant. The economic concerns of the community, hitherto regarded as belonging to the private relationships of the classes, of employer and employed, of producer, distributor and consumer, have now become civic, and the sphere of politics has become widened to include them. The substance of political problems has changed. We may still believe in Free Trade as a practical policy, but the words no longer connote a great

political principle dividing off the workshop and the market from Parliament. Or, we may reject Free Trade, but in doing so we no longer ally ourselves with those profiteering capitalist interests that, with Protection as a means, sought to enrich themselves by exploiting a cornered consuming public. We should reject it because we believe that some conscious organisation of production and the conditions of production is necessary to maintain high standards of national life. Whilst this change has taken place, Parliament itself has not changed. It is still elected and worked as it was in 1832. Can the old construction do the new work ? Partly owing to its defects as a machine, and partly owing to the falsification of election issues and the consequent return of representatives who are not representatives, when Labour policy or international politics or anything else relating to the everyday realities of national life is under discussion, Parliament appears to have been stranded. It does not represent. It cannot represent. "The citizen is so individual in his ideas and interests that no one can represent him in his totality. Parliamentary representation is a pretence. Society is divided into various functioning associations,

like cotton operatives, doctors, surveyors, and these can be represented, and the union of their representatives is a complete social organ." It is not. An attempt to create such a machinery of Government would fail. The machine would not work. Confusion and complexity would result. Law, that is the obligations which these industrial associations put upon their members, would soon be a mass of unrelated orders of no certain validity, disputes between function and function would be endless, there would be a burdensome increase in the proportion of persons whose lives and abilities were spent in making the machine go, the judicial and arbitrating function would be overweighted with work.

The Labour Party recognises the defects of the Parliamentary machine but in no ways abandons Parliament as the embodiment of the civic life of the community, the citizen as the unit to be represented, or public opinion as the only creator of social change which is to last. It would adapt Parliament to the new functions of government, and, by a scheme of devolution of work, the Party would re-invigorate democracy by bringing it in touch at as many points as possible with organisations the life of which is of interest and the powers of which are of

importance to the citizen. Thus, industrial organisation for industrial purposes, recognised by the political State and with powers of control delegated to it by the State, municipal organisation for local purposes but with far more rights of self-administration than at present, national organisation (Ireland, Scotland, Wales, England) for national purposes with freedom to develop national culture and genius and differences, and the civic union of the whole State over all as a bond and personality. That will make democracy intelligent and representation real.

Such is the frame of mind in which the Labour Party acts and assails equally those on its Left who by revolution would bring in a new order, and those on the Right who also in ways that mean revolution would maintain the old. The Labour Party offers the nation progress without revolution and change without catastrophe. To call that Bolshevism is either to trade on ignorance or resort to dishonesty.

CHAPTER V

NATIONALISATION

About thirty years ago the Trade Union Congress declared in favour of the principle of Nationalisation, and the Labour Party Conference did the same in 1908. The Socialist doctrine proceeds upon the assumption that the community should control those economic functions with the successful working of which its welfare is bound up. This principle in practical politics does not mean a wholesale and an immediate transfer of industrial capital from private to communal hands. Some forms of property demand its immediate application as I shall show, others do not. Proposals for land nationalisation, owing to the special relation of land to the community, have been made ever since Thomas Spence wrote on the subject in 1793, and a great impetus was given to this demand when Henry George's *Progress and Poverty* appeared in 1879. Nationalisation has

also been proposed as one of the methods for dealing with the Drink Traffic, and railways and mines have for a long time been the subject of a similar propaganda. As a result of war conditions, Mr. Winston Churchill announced in Dundee that the Government favoured nationalisation of railways, but a much more serious agitation in favour of the nationalisation of mines was begun when the miners declared that they would insist upon this as the only way out of the chaos and unsettlement in the industry caused by the inefficient handling of the Government. This demand and the episodes that have followed—threatened strikes, the Sankey Commission, political propaganda—have made nationalisation one of the great questions of the day, and the Labour Party has been specially associated with it.* In so far as it has become a political issue I am afraid it could not escape a deluge of misrepresentation and an attack by meaningless but catchy phrases and labels, and it has suffered from bogey dressing. It is presented as a blow at every virtue from State credit to personal rectitude,

* I do not propose to discuss the nationalisation of the Mines as a separate issue, but only to refer to it in so far as it illustrates the general principle. Mr. Frank Hodges' book on the subject in this series is an admirable statement of the case, and I refer my readers to it.

and it is supposed to involve compulsory labour, a destruction of workmen's organisations, oppression to the consumer and what not—to all of which the simple answer to anyone who wishes to study the argument rationally is, that the Labour Party is not composed of either fools or knaves. The question is certainly one for reasonable consideration and not to be set aside as absurd folly.

Let us be clear first of all how we are to approach the subject. To some people, politics are a mere jumble of expediencies and compromises, patches and darns on a rent and frayed Society. That is not our view. In politics there must be expediencies and compromises, because Society is not a machine which can be scrapped and a totally new model substituted; Society has to be organically altered. But the expediencies and compromises must contribute to some complete conception, and the changes made must fit into some system which we have in mind. To the man who jumps to conclusions on first impressions this is dogmatism, but it is not so. Dogmatism is a method of action which pursues theories independently of facts, whereas the method I have in mind is the scientific one of drawing

ideas from experience and using them as guides for action, but always limiting action by the new experience gained. All politics that are of permanent value are the working out of ideal systems in relation to existing facts. That gives change a chance of being progress and not a wandering in a circle or a general rambling about. Thus we find that some Parties, like the Australian Labour Party, have two sections of their programme, one a section of general guiding principles and the other a "fighting programme" of matters ripe for settlement. Nationalisation as a principle belongs to the former, nationalisation of the mines, to the latter. It may be a clever political expedient by which to win votes to mislead electors by stating that the Party's intention is to nationalise everything immediately, but it is not an honest one, and it is not in accord with political methods of transformation. If the governing authorities forced a revolution on the people as they did in Russia, declarations of principle might move at once into the section of immediate changes, but only under such conditions can that be done, and we do not believe in revolutions. The meaning of the inclusion of nationalisation in the Party's statement of

ultimate beliefs is this, that it believes that nationalisation gives the key to the solution of many of our industrial problems, and that a truly industrial state is one in which the production of wealth will be controlled by the community, or by functioning associations of the community. When the conditions of the various industries and services permit of nationalisation public opinion will have ample opportunity of pronouncing whether its experience justifies the extension of the principle, and whether the extension should be made in the directions proposed.

The argument against the proposal of nationalisation is often stated as though we were seeking to adopt it for the first time, and the word itself is used to indicate that the scheme only means Government ownership and control. Both statements are erroneous. This bogey principle which is to destroy initiative and bring judgment upon us, has been applied already. It is one of the working principles of Society. The municipalisation of gas is as much part of nationalisation as the State ownership of mines. For us to discuss now if the *principle* is good or bad is like discussing whether the State ought or ought not provide

facilities for education. The question we have now to answer is : Ought *mines* be nationalised ? Ought *railways ?* And so on.

In the development of industry the mechanism of production and distribution becomes more and more unified in organisation until we have either confessed or virtual trust conditions. It is then no longer a question of private enterprise or initiative, because these virtues have already been absorbed in organisation and have become salaried and officialised. They are already working under conditions which would not be worsened by nationalisation. From that point of view, there is no difference between a Trust and the State. The Trust has already made all the changes that nationalisation will make. As regards the mines, for instance, there is just as little and as much room for private enterprise and initiative in the Trust schemes proposed by the Government and Mr. Asquith at Paisley as there is in the public control suggested by the Miners' Federation. We have to decide whether Trust control or public control is the better from the point of view of all the interests concerned. The Labour Party supports the second alternative. Trust control is the worst way to deal with highly organised industry.

An accurate statement of the Labour Party's position would run somewhat thus: When industries have evolved into the Trust or quasi-Trust stage the principle of nationalisation should be made to apply to them.

Another thing should be pointed out. The method of applying the Socialist doctrine enunciated at the beginning of this chapter to different industries cannot be uniform. Cotton, should it be brought into a nationalisation scheme, could not be dealt with as coal, and though the similarity between coal and railways is close, the control of one raises problems that differ from those of the other. Account has to be taken amongst other things of the conditions under which raw material is supplied, the nature of the service and the markets, the possibility of competition curbing the Trust, the elements that enter into the organisation of the industry and the most convenient forms which that organisation can take. The idea that nationalisation is to be carried out on a kind of machine-made, standard-suit plan is entertained by no one who understands what he is talking about, whether he be an exponent or a critic. So far as we have had nationalisation it has certainly, with all its faults, been a success,

and at every stage of its development it has been met by precisely the same kind of opposition and argument which the nationalisation of mines has now to encounter. I am old enough to remember how when, in the eighties, municipalisation was a Progressive watchword, Mr. Asquith's Paisley arguments were virile and vigorous. They are verbally and substantially what the London Moderates said against the municipalisation of trams. Now a days, no one but the stiffest dogmatist would suggest that we should return to private enterprise for supplying our water, our gas, our electricity, our telephones or our trams. In places, there have been mistakes in management and there have been disappointments, but these have never amounted to a condemnation of the system any more than individual failures can be made the reason for the ending of the capitalist system. Further than that, the municipalities that have carried out these ideas most completely and applied them most widely can challenge successfully any comparison as regards the excellence of their government, their credit, the comfort of their citizens and the initiative and energy of their people. It is also very significant that when these places happen to be ruled by

majorities whose general political opinions are classed as reactionary, and who opposed the departures when they were being made, they never dream of reverting to old conditions or even of curtailing the operations of present ones, so firmly entrenched has the system of nationalisation become owing to the benefits of its practice. Years ago, the Moderates threatened to undo the Progressive policy in London ; they could not carry out their threat. It is said, however, that whilst the experience of municipalisation may be good, not nearly the same amount of good has been derived from State enterprise, and the telegraph and telephone services together with war control are generally selected for attack.

I shall deal with our war experiences first. As regards that, I might content myself with pointing out that war control was improvised in a night and that it ought to have been a greater failure than it has been. It was a revolutionary act, not an evolutionary one—of the style of Bolshevism not of Parliamentary transformation ! As, however, some consideration given to it will throw light on the administrative problems of nationalisation, I shall not dismiss it. Improvised as it was,

personal and trade interests got into authority. Schemes were devised to protect and improve the business prospects of those in charge and their kind. A thousand and one axes had to be ground. What really happened was that the ordinary mechanism of trade was temporarily interfered with in the Government's interest. In time of national stress the capitalist system broke down. The community could not be left a prey to it. Yet the method of control was so arranged that when control was removed the dangerous system would be left in full working order. The whole of the superfluous machinery was kept oiled, and the parts that were not being used (a great class of brokers, for instance, who did no trade but who found their incomes increased) exacted a toll just as though they were being used, and prevented economical and efficient working. Ordinary business mechanism was not scrapped. Those who worked it were sent on a holiday so far as its management was concerned with all their expenses liberally paid. That was not Nationalisation. It was a caricature of Nationalisation. We ran a bureaucracy with the worst kind of bureaucrats —men taken straight from private business who were not only amateurs at the bureaucratic job,

but who worked it knowing that they were to go back in a few months to their own counting houses and who could not help thinking how they could leave things, if not to their own advantage, certainly not to their disadvantage. Government control during the war was managed by private interests.

Even then, there is a good side to Government war control.

The temptation to think exclusively of the failures is great but must be resisted. Part of the records of such Departments as that of Munitions must not be overlooked, and though spectacles like those of Loch Doone, Slough and Gretna fill one with angry protest, we must remember that where the nation secured the services of really disinterested men of ability their checking of theft and corruption was fine, and their management of national concerns was so satisfactory that it is an argument in favour of the ability of a public service to control large industrial undertakings. The inefficiency and dishonesty which crept into the Supply Departments during the war could soon have been weeded out in ordinary times.

The telegraph and telephone services are however the stock arguments against us. The

latter is certainly most inefficient, but I do not agree that before the war it was more inefficient than the private companies had been, and, to-day, given the proper staff, there is no reason why the Government service should not attain to a maximum efficiency. Has it deteriorated more than our clothes, our kitchen utensils and the scores of services and supplies of which we have good cause to complain? I think not. If I get half-a-dozen wrong numbers both out and in in the course of a day, that is not because my telephone belongs to the Government; my charges are certainly less than they would be if I had to deal with a private telephone Trust.

The root of the trouble with both services, however, is the condition under which they were acquired. In purchasing them, the House of Commons dealt with its own friends, and there is an evil tradition (which Labour must end) that in dealing with public money you can be more easy in your rectitudes than in dealing with private cash. The telegraph system was sold to the public at a colossal overcharge; the telephone system was allowed to run down to a minimum efficiency before being handed over to the State at a ransom price. We have forgotten that the newspapers were constantly

voicing complaints against the National Telephone Company whilst the Company was watering its capital and paying excessive dividends. In fact, the discontent that is now being shown with the Government service, handicapped as it has been by the war and the rise in costs of maintenance, is not more strenuously impatient than that which was habitual under Company management.* It is a pity that our memories are so short.

The unanswerable reply, however, is this. The most efficient and the cheapest telephone service in the world is that of Sweden, and it is State controlled. It may be that the Governments which we have been suffering are not fit to govern, but what a Swedish government can do, no one will persuade me that a British one cannot. Elsewhere in this book I point out that the new tasks of Government require changes in the personnel of Government, and a Party which understands the reasons for Nationalisation and is aware of the importance of its issues, is far more likely than any other to bring that efficiency into management which will make the service satisfactory to the public.

* See *The Case for Nationalisation*, by Mr. Emil Davies: Chapter on Telephones.

The present position of the coal controversy illustrates both the case for and the difficulties of Nationalisation. Coal is a limited natural supply and should be mined and used economically ; mining plans of the most economical and scientific character cannot be accommodated to the arbitrary areas of private property ; the mining unit depends upon geology and engineering facilities and has nothing to do with the boundary marks between one estate and another or one mining concession and another ; mining by private enterprise means waste, high prices and national loss ; not only the getting of coal but its use requires the widest co-ordination of skill and effort ; the industry has steadily drifted into the hands of combines. We have now the reports of the Coal Conservation and Sankey Committees, and the declarations of both the Government and the Liberal Opposition that the industry needs to be reorganised both from its productive and distributive side.*

I have already pointed out that the admin-

* One of the great advertisements which the coalowners and merchants issued against Nationalisation ended with the cryptic, so far as reason goes, but fearful, so far as emotion controlled directly by the eye goes, announcement that "the Consumer pays." The consumer always pays, and one of the characteristics of a Trust industry is that the consumer pays too much. In five years the profits made upon coal prices have gone beyond the sum total of the capital invested in the industry, and unless Nationalisation steps in to protect the consumer he is to continue to be exploited.

istrative plans of Nationalisation must in every case accommodate themselves to the conditions of the trade, but the commonly held idea is that the whole of the control of nationalised mines will rest in some Whitehall office. Upon such an erroneous assumption Mr. Asquith's Paisley criticisms were based. Now, bureaucracy has its virtues. It is mechanical, but it may be an efficient machine, and the more mechanical the control of things becomes, the more will bureaucracy succeed. We can also say that its inefficiency increases with its remoteness from the points touched by its activities. To regulate the coal mines in Durham, Northumberland, South Wales and Scotland from an office under the shadow of the House of Commons, is a proposal which I have known no one to make. Fortunately, however (a point that critics seem to forget), all organisation is not bureaucracy ; there is such a thing as control in the common interests by representatives of these interests, a control which is unified but yet varied.

The State must own the mines, but the system of working must not centre in the Civil Service. We must not make the mistake of using political machinery for industrial purposes.

So soon as the State seriously concerns itself with industrial affairs, it must enlist to its aid other than political associations or groups that function politically. It then holds as a trustee for the community, and for the success of its trusteeship it must call in the aid of the associations and groups that are concerned in the working of the trusts, as well as the consumers concerned in the results of the working. Just as the idea of nationalisation, following naturally on the due evolution of industry, imposes new tasks and responsibilities on the State, so must the State adapt itself to its new duties of administration by improving and extending its own machinery. To expect, for instance, a staff of the type of the present Home Office or the Board of Trade staffs to take over the control of mines and be responsible through agents and deputies for their working, is to put new wine into old bottles with a vengeance. And yet, the distinction between bureaucracy and public control is not only easily defined but can be easily embodied in administration. Bureaucracy is the administration of men endowed with State authority and occupying the position of State officials ; it assumes that the controller does not acquire his authority from

below or from his relationship with the business which he controls, but from above or from the general sovereign powers of the State. He passes an examination, enters an office and clothes himself with the authority of the office. Public control is the administration of men who get their position and authority from the organisation they are working. They rise to authority ; the bureaucrat descends with authority. They are in the system and of it ; the bureaucrat is above the system and outside it.

Neither the miners nor the public will accept Nationalisation with bureaucracy, and therefore a scheme has been drafted which, while making the mines State property, secures public control in working them. There are to be pit committees to look after pit concerns, District Boards to co-ordinate the work of districts, a National Board to supervise the whole, to see that production is equal to demand, to look after all the general problems of mining engineering, the application of science to coal getting and consumption, prices and so on, and to keep the whole industry in all its processes up-to-date. These committees will be representative of all the interests and functions—labour, management, the consumer, the State owner. In other

words, the coal industry will be managed by a well equipped body working for production, distribution and use. That is very remote from the common idea of what Nationalisation implies, but it is what is in the minds of those who have given any thought to Nationalisation and who are urging its expediency and necessity on the country. It also indicates the lines upon which the State must move as it becomes more and more responsible for industrial affairs.

One further consideration must be noted. No community will ever find peace whilst its working class masses have no responsibility for their own conditions, and that responsibility will never be given by Profit Sharing, Whitley Councils or any such expedients which do nothing but involve the workmen in capitalist concerns, entangle them without freeing them, bind them without changing their status. The piece of work which now has to be done is to take the workmen into full social partnership, to use him not only as a hewer of wood and a drawer of water but as a colleague in the management of industry. His field of interest must be widened and his burdens of responsibilities increased.

Already has he been very stupidly kept

too long in the outer courts. He has got into the outer court frame of mind, the habit of narrowly thinking of the section to which he belongs, of simplifying complex problems by meaningless phrases, of seeing things in much too limited a relationship, of regarding himself as antagonistic to the system which uses him. When such a mind becomes alive to its position it is at first more familiar with the world of ideas than with the world of things, the world of the absolute than the world in course of transformation. Hence, it is allured by every new heresy as women are by a new fashion, and instead of making patient contributions to permanent change it flits from allurement to allurement, from school to school, from shibboleth to shibboleth, leaving others to embody in a lasting way in Society the ideas with which it has dallied but by and by discarded. This is too true of part of the younger body of educated workmen to-day. It is a passing phase in the evolution of intelligence, however. Individuals from this shifty class may be bought, as they have been, by other classes, or flattered into tameness and desertion from their allegiance to their own people, but if the governing powers and the superior classes think that in this way they

are to make peace and roll back the rising tide of democratic intelligence, they are very much mistaken. It is both a poor and an unprofitable game. We must provide channels through which this desire for equality will be profitably and nobly spent, and Nationalisation is the only expedient I can conceive which will do this. Active minds living outside the walls of responsible and governing Society are hostile and revolutionary minds, and it is well that that should be so if human dignity is something that one should really care for. Nationalisation brings these minds inside.

The problem which an educated and intelligent working class will always present to Society is how to provide for a management in which labour will have an independent responsibility and which will be controlled by the living factors in production, brains and muscles, and not by the dead factor, capital. The purpose is to give the workman the freedom of responsibility, to give him the mind of the governing factor, to provide him with the moral incentive to work which can only come when he knows that he is labouring to add to the wealth and life of the community, his fellow workmen, and not mainly to swell the profits and heap up

the possessions of his employers or shareholders. We have come to a time when the economic and external incentives to work are getting weaker, and we have to put in their place the will to work. I can see nothing that that can mean except Nationalisation, because by that means alone can the worker be made to feel that he is producing for the community.

Thus Nationalisation is one of the guiding principles of the Labour Party for two great reasons. First, it is the only expedient which the community can adopt to protect itself against monopoly combinations and to save it from the domination of capital. That is important. It implies economy in working, and strikes at the root of the causes of poverty in so far as they are in our system and are not owing to individual fault. But I value the second reason still more, because it belongs to the great creative influences. Nationalisation is a translation into political programmes of that new intellectual and moral awakening of labour which, if left outside responsibility, will be unsettling and revolutionary but which, if used to enfranchise labour in the mine and workshop, will mark off an epoch in social peace and human power. Nationalisation is a necessary con-

dition for that united social mind for which everybody sighs but for which the Labour Party alone of political Parties has supplied a political and economic body.

CHAPTER VI

CAN LABOUR GOVERN ?

THE question which is the title of this chapter would be answered by a great many people something in this way : Only gentlemen can govern ; Labour Ministers would be no gentlemen : therefore Labour cannot govern. We have not yet got out of the way of assuming that government is the pastime or occupation of a gentleman, that Labour members have not the great dignities required for high office, that not only Waterloos but grand legislative and administrative achievements are won on the playing fields of Eton and made secure by the freemasonry of Balliol.

The law which explains what is to survive and what is to be forgotten is a curious one. Part of it is that whatever belongs to the ceremonial usages of life, like ecclesiastical

vestments, or to its dignities, is retained. Now, government has always been associated with ceremonial. It has been a function of the Levites. For long, Parliament itself was hedged round by property qualifications and patronage and when the pressure of opinion was too great and these were broken down, the inner governing nucleus retained its old sacredness. That is one of the reasons why, when Parliaments became more " popular " than they used to be, Cabinets withdrew themselves more and more from Parliament, using Parliament as their instrument. The Cabinet was never solely regarded as a business body submitting to the test of efficiency. Government was a dignity, just as the position of the officer class in the Army was a dignity. When after many years Labour found its way into this reserved compound it not only had a very distinctly back seat given to it, but was plainly told that it had received an honour of a peculiarly precious kind which had to be enjoyed by a peculiarly ordered conduct. It is an extraordinary thing that though Labour first appeared in the House of Commons in 1872, not till 1892 was one of its representatives invited to join a Ministry and not till 1905 was one given a Cabinet appointment. Whoever has

known the men who represented Labour during that long period of over thirty years, knows quite well that amongst them were an ability and an experience considerably superior to those expected by Premiers of their Cabinet colleagues. Lists of Cabinets reveal, as time rots their covering robes of dignity, how much mediocrity of a respectable class has been drawn upon to govern us. Though great names are included in those lists, they remind one of a flat featureless tract of country from which rises an odd hillock or two, and even the hillocks are, in many cases, being flattened down by the passing of time. It is sometimes argued that government is best conducted by safe mediocrity, and that original and masterful ability finds its proper sphere in making that opinion within Society which is the real determinant of progress and the true controller of Governments. It is said that Governments should not show active initiative but should move only after change has become inevitable, and should rather dot the *i*s and stroke the *t*s of social progress than themselves write the *i*s and the *t*s. Should this be sound, whatever other consequences may follow from it, it does mean that the spokesmen of the governing Levites who tell us that they alone are fit to

govern, thus put somewhat meagre wreaths of laurel on their brows, and make it more difficult for them to maintain that there is some occult mystery in government the secret of which has been withheld from the common people.

I do not believe that that is the right view of government, however. I believe that government requires great skill and great capacity and knowledge, and that it has hitherto been monopolised by a small class that has fenced it off by something like superstition. It has been religiously guarded by that class by all the means that a priesthood takes to fence itself off from the common crowd, and, when the doors of the temple have had to be opened to others than those born into the sacred tribe, the Levites have sought to impose a novitiate upon the selected ones during which the manner and the mind of the governing priesthood have been taught. But, in so far as Labour imitates, Labour fails. If Labour cannot be natural and itself in its government, it is unfitted to govern. Labour must justify itself by bringing a new virtue into government.

Government in a state where individual and class interests are removing old social barriers,

where new economic classes are gaining social recognition—in a state, that is, which is passing from the hands of one strong economic class to another (say, from feudalism to capitalism)—at such a time, government is bound to be rather negative. It can have no clear ideas as to its aim. It systematises its negations, and when it makes apparently positive statements of its purpose they are in reality negative. Freedom in the creed of Capitalist Liberalism, for instance, has a series of political nots as its content. The task of government is then to clear the way for the free exercise of the interests of the powerful classes. Freedom does not relate to the State nor the ordinary citizen but to the class which has just become influential. So too, classes that are economically and socially powerful support negative views of government. Landlords need no legislation except of the type which protects them against poachers, and capitalists desire no legislation to impose factory rules upon them. The individual and the class in a position to look after themselves wish to be left alone, and, generalising from their own interests, conclude that it would benefit everyone else if they were also left alone.

But in such a state of society two tendencies

are always in operation. Organisation and economy are as much the natural trend of Society as they are of a human body. Therefore, the mass of separate interests all working at the same task tend to amalgamate, and the war has given a great impetus to this. If the State were to-day to sink into the background, and every individual interest were allowed to look after itself, the community would not return to the same state of disorganised competition as existed before the war. Many of these interests have passed under the hands of Trusts, and so instead of being controlled by the political state they would be subject to an economic quasi-state—the Trust—with the codes of regulations which it itself has formed to advance its own interests without regard for the community, except in so far as it pays it to have such regard. The community must control this organisation or it will control the community.

The other tendency is this—and this too the war has greatly accelerated. The mass of the people live in economic dependence on those classes which can look after themselves—for instance, Labour on Capital. That, however, is a constant grievance and friction. Labour

in the end will demand, and secure, independence by controlling its own servitude, and, either through the organisation of industrial guilds or the State, will seek that freedom. Thus, from being an onlooker, whilst individual and class interests strive to discover the services which yield riches to them, the State first becomes an umpire and protector, and finally co-ordinates the warring and self-regarding interests into co-operating functions. The class which remains subordinate and which can free itself only through the State forms itself into an organisation to capture the State, and so from being negative the State becomes positive. Both economic and human necessity, each in its own way, ends the negative phases of government and establishes positive phases. Labour comes into authority when the national needs require constructive political ideas to protect their interests and it therefore must justify its claim to govern not by its capacity to imitate those who have ruled before, but to do the work which governments ought now to do.

What has Labour to say for itself from that point of view ?

If government is to concern itself with the business of life and is to organise the community

to secure liberty,* it must be equipped by at least two qualifications. It must have an idea of the scheme of society which it is working out and it must have an intimate knowledge of the human material and experience with which it has to deal. In another chapter I have indicated the conception of the social structure held by the Labour Party and have pointed out that it alone of political parties to-day knows what it is driving at or has systematised the particular items of its programme into anything worthy of the name of a social policy. It alone can with any accuracy issue a programme as it has done under the title of the "New Social Order." Other parties live from hand to mouth, patching here and patching there, busy first at this point guided by one set of ideas (or no ideas at all) and then at another point guided by another set of ideas. A system of national health insurance is created with no definite notion behind it except that human nature is likely to accept ninepence for fourpence. Labour troubles are patched up but not settled, and the

* I do not mean by this that in the truly free State all organisation will be under government control and there will be no voluntary functional organisations industrial or otherwise. That would be no free State at all. But I mean that it is the business of government to watch all functional organisations and see that the community does not suffer from anarchy whether brought about by the lack or the conflict of organisations.

disturbance of to-day is calmed by remedies that cause it to break out afresh to-morrow—and so on through an endless series of fruitless efforts.*

Upon this, I lay the greatest emphasis: the political work of governments must be systematic or the world is to drift into a state of chaotic effort, and disorder and conflict, both national and international, are to increase. With the Independent Labour Party as its purely political section, alive to all the newer political thought of the time, not carried away with it but assimilating it in a discriminating fashion, making the pace and mapping the way in municipal administration, national legislation and international policy, the Labour Party alone is in a position to secure steady and ordered progress, to effect those changes in structure which the life of Society requires, and to launch the ship of state well manned and well equipped on its further voyages.

This advantage is further emphasised by the fact that the Labour Party now commands the services of the newer generation of what is awkwardly called the intelligentsia, those who

* These efforts are well illustrated to-day in the ineffective attempt, which if not checked will bring ruin, of wages to overtake prices.

are working out the problems of the co-operative industrial state, its finance, its industrial control, its international policy ; for it is one of the most indisputable and striking facts of the day that the best work that is now being done in these investigations is by men either definitely allied with, or whose points of view are in harmony with, the Labour Party.*

But if clear ideas and knowledge are essential to good government, so is practical experience in group and associated life and in mass organisation. Here again, the Labour Party has advantages over other Parties. Public opinion is a thing that can be allowed to go wild and be followed, or a thing that has to be made, guided and controlled; but whether it is wild or rational, it has to be understood. The popular leader who is ready at any time to place not only his abilities but his reason and conscience at the disposal of majorities is always contemptible, but at this moment he is dangerous as well. The nation needs men who can stand up against it and who do not merely flatter it, and such

* For instance, the Labour Party has now established for its guidance groups of Advisory Committees to consider such subjects as International Policy, Government Machinery, Public Health, Education, Finance, Colonial Administration, and upon each are people who are recognised authorities in these subjects.

men cannot be found unless they know to what goals they are driving.

Now, there are two sections of the Labour movement which are invaluable in these respects —the Trade Union and Co-operative sections. I am the last man to say that a training in Trade Union official life is all that is required to fit a man to be a valuable member of the House of Commons. We have only too abundant evidence that that is not true. But, given other qualities, such as those which an education in economics, in history and in general politics provides, an experience in Trade Union work is an admirable apprenticeship for the wider responsibilities of public life. A man who knows the industrial mind of the masses, who has had to study their psychology in order to use it for good ends, who has won confidence by service in the narrower world of mining, factory and workshop concerns, enters public life with a splendid equipment of practical sagacity which should lead to distinction in the affairs of state. In order to govern well, one must be trusted and one must know, and the Trade Union movement supplies both of these requisites to the young workman who by self-education and self discipline attains to office in it. The

old type of Trade Union official was a pioneer. His interests were perhaps narrow, his mind was perhaps but poorly equipped, but his work was to combine his fellows and create a great organisation concerned in the first instance with special material gains. It is easy to point out his defects, but he did the work of his day, was successful and was a powerful instrument. He taught workmen the advantages of running into masses at times of danger (an advantage only inadequately expressed in the economic jargon of "collective bargaining") and he got the confidence of his herd. Henceforth that was to be a characteristic of working class action. Now things have moved on. The success of the Unions on their side of organisation has opened up new responsibilities. Roads which they thought they could travel all by themselves are found to converge on other roads before their end; objects which they thought were theirs alone are found to belong to others as well; what appeared to be workmen's interests to be fought for separately as such, are now found to be but aspects of communal interests to be attained by the united efforts of Society. For instance, wages which were regarded as something definite and absolute are now dis-

covered to be but relations, and a treatment of workmen's pay cannot be separated from the economics of prices. Thus, the tasks and the world of Trade Unionism widen until they are seen to be identical with the tasks and the world of the community. And whilst this widening has been in progress, influences have been at work preparing a new type of man to carry on to completion the work of the old and to inherit the powers which herd psychology puts in the hands of leaders.

Within the past twenty years a great democratic educational movement has been on foot amongst the working classes. It originated in a general way in the Independent Labour Party which directed the attention of its members to good literature, to economics and to politics. Later on, it was specialised into two main organisations, the Workers' Education Association, founded in 1903, and the Central Labour College, founded on a secession from Ruskin College,* Oxford, in 1909. These two bodies, the first representing the Right and the second the Left, carry on numerous classes attended by thousands of young workmen in nearly every industrial

* Started in 1899: was the first attempt to give to adult workmen a systematic college training.

centre, and the classes are supplemented by voluminous correspondence activities. Whoever moves about and spends frequent evenings as I do at the firesides of workmen sees the results of this, not only in the splendid collection of books* which these families frequently possess, but in the intelligent level of conversation maintained and alone enjoyed, at those firesides. One does not find the decadent modern novel there nor the two-penny-halfpenny monthly magazine, nor the picture daily paper. One has to go to "better society" for those. However surprising it may seem to those who have no intimate contact with these circles, I assert with the greatest confidence that their intellectual level is higher than that of many learned university coteries, and incomparably higher than that of wealthy manufacturers' families; better reading matter goes into those homes and the range of their interests are wider.†

From these firesides are the new Trade Union leaders to be drawn. These are the people who, furnished with rich minds, are entering the

* For instance, in one worker's home which I frequently visit there is a complete set of the "Golden Bough."

† See the Report of the investigation made in Sheffield into the mental equipment of working people—"The Equipment of the Workers."

official ranks of Trade Unionism, and, further enriched by experiences gained there, will emerge into public life better fitted to do their duty than any Levite class that has hitherto appeared to claim a monopoly of governing capacity. If the Trade Union mind has hitherto been too much fixed upon the rocks of existing fact like a limpet, the new order of educated and cultured workman will know how to secure freedom of movement without losing his hold upon the rocks ; if the old type of Trade Union official when he became respectable lost his spirit of revolt and, by imitating the middle classes to the lower ranks of which he was content to be admitted, passed through the gates of death, the young type will form an aristocracy for itself conserving the simple virtues of democracy and, inspired by the confidence of self respect, it will observe the manners of equals wherever it finds itself. Thus we may have our governing done by a new type of men cast in a better mould than those who have gone before them.

The other section of the Labour movement which will make an original contribution to the qualities required for governing is the Co-operative movement. Here we have a purely

business affair stretching its organisation from the tiniest of village shops to a great national bank, controlling a gigantic wholesale business, numerous productive factories, estates, steamship lines and all the machinery of production and distribution. This is done by a democracy of consumers ; the backs that bear the burden of it all are those of store committees elected by and from the most ordinary men and women. The success of this movement since 1843, when the Rochdale Pioneers first took down their shutters in Toad Lane, is more like an epic than a narration of successful business enterprise. During the war the human and other resources of the Co-operative movement were found to be of the greatest value to the nation, and much more good could have been got out of it but for the jealousies and rivalries of other interests. As it was, its representatives on many committees advising as to the control of necessaries and as to prices (like the Consumers' Council) brought a knowledge and capacity second to none represented, and the work of the tores (again seriously handicapped by the opposition of Government Departments, officials and interested persons) in distributing food, if copied or studied, would have avoided many

failures in this work. Again and again, as during the Dublin strike in 1913-14, the Co-operative movement has handled difficult problems in transport and supply; in the attempts to unravel the Russian entanglement, it has played a unique part; in the economic re-establishment of Central Europe it could have done special service had it been used; it will play an increasingly important role in our national economy should we have the misfortune to go through much more industrial strife.

Thus, the Labour Party has at its elbow a great distributive organisation supplying not only the exact knowledge requisite to represent the consumers' point of view in all schemes for Nationalisation, but ready to support any policy of international or national concern which may involve the distribution of material of any sort. If international finance has to be put upon a basis which will not involve imperialism and war, this organisation can be adapted to the purpose. The moment we think of combined communal action in supply, that moment brings the experience and knowledge of the Co-operative movement into the front rank of value. It alone can save us from the profiteer on the one

hand and the unpractical and oppressive jack-in-office bureaucrat on the other. It catches up in itself the experience and needs of the worker of all grades both as a producing service giver and as a consuming service user, and it solves the administrative problem of the opponent of bureaucracy on the one hand and of the anti-State Guild Socialist on the other, of how, when the State takes a direct interest in production and distribution, these functions can be kept out of the hands of a civil service, of office clerks, of a bureaucracy. Bureaucracy and co-operation are on terms of eternal enmity, and that enmity will influence for good the work of a Labour Government for whose existence the Co-operative movement has a large measure of responsibility.

A demand which has an occasional popularity but which in its current significance is only part of that political clap-trap by which a certain repulsive political section seeks to gain the votes of a dissatisfied but easily misled lower middle class opinion—the demand for a business government, has great substance in it when properly understood. It generally implies a government of business men, " business " being used in its narrowest commercial sense. The

problem of successful government is not that of successful business. It is much more complicated and takes more things into account. Nor are the aims the same. The business man acquires the habit of absolute control; his success is that which is expressed in ledger balances; the sphere of his operations is narrow and only indirectly has any reference to other commercial interests; he has to consider Society as the market for some commodity of which he is proprietor. The statesman has to employ the habit of working with equals or with men not absolutely under his control; his success is that expressed in comforts, happiness, liberty; the sphere of his operations is social wellbeing and he must take into account everything which contributes to a contented and prosperous community; he has to consider Society as a community of enjoying users. If we examine the business records of the war we see the difference. The purely business man at his best was an invaluable civil servant, though even in this sphere his failures were innumerable because he was so unfamiliar with operations on such a large scale and with business done under the conditions imposed upon those who act for the community and not for themselves.

When that type took upon itself the control of policy it was a failure. In the House of Commons, it was a failure. I believe that nearly every business expedient for protecting the country against waste and exploitation and for organising the necessary supply of both military and civil material, was devised and suggested to begin with by men accustomed to the working of governmental machinery. In all the practical working of the business side of the war the civil servant had no cause to bow to the superior ability of the trained business man. This is not written to depreciate the business man in any way, but to point out that the qualities, the mind, the genius required for the business of government are quite different from those required for the working of private trade and commerce. A Cabinet of commercial men who had no qualities except those upon which they drew in building up their private business, would soon get the House of Commons into disorder, could not carry out their policy, would speedily become discredited, and when they had gone through that bitter experience could return to their old business affairs and find that they could conduct them as successfully as ever. Nevertheless, the demand for a

business-like government is sound, and the experience and training given by Co-operative management is much more akin to that required for government—both resting on democratic control and on an enfranchised trade membership—than is supplied by the arbitrary conduct of private business.

I have argued that the Labour Party can supply both the ideas and the experience, both the policy and the men, required for good government. I do not believe in a class government, however. It would only be for evil if we set this apprenticeship or that as necessary to be served by those upon whom we are to impose the responsibilities of statesmanship. To mark off any one royal road to leadership in public affairs would, I believe, end in disaster. We need to enlist all good abilities and experiences. I have, therefore confined myself to the establishment of this proposition: That the elements composing the Labour Party and the organisations which go to the making of it contain in themselves abilities, knowledge and experiences essential to any government asking for the confidence of the country in these times.

I repeat the warning that the business of

government has changed and that the training appropriate for it must be changed also. Our governing families used to bring up sons to hold office. Then that died out. The electorate changed. Now, the ability to make an effective platform appearance is the supreme test of the ability to govern. Mingled with a reputation for something which is pleasing to the popular mind, with success in Parliamentary debating, and with the surviving freemasonry of the governing caste, it forms a Cabinet. The result is found in Europe to-day. The task of this generation, and probably many to come, is to discover how the true qualities of statesmanship can be combined with the requisites of popular political leadership, and there is no combination existing to-day which represents so well as does the Labour Party the kind of training and interest which should yield what is wanted. Trade Unions, the Co-operative movement and the democratically minded intelligentsia—from these the statesmen of "the world made new after the war" are most likely to come.

In the next chapter I shall continue the argument, approaching the problem, however, not in its general and fundamental aspects but

considering the nature of ability and capacity required to control some of the most typical Departments of Government.

CHAPTER VII

A LABOUR CABINET. I

THE work of government falls into two great sections—legislation and administration. The former is determined by political opinion and the will power behind it, by what the party in office believes and by how strongly it believes it. The latter depends upon knowledge and also again upon will, the knowledge being largely supplied by the permanent Civil Service and the will by both the Government and its staff. Therefore in assigning offices, a Prime Minister whose hands are free will fit his colleagues into the Departments where their interests and experience will be most valuable and have the greatest driving force. It is often assumed, however, that there are some offices requiring a technical skill or a peculiar ability which a Labour Government cannot command, and the Departments of Law and of Foreign Affairs are usually given as cases in point.

The supposed difficulty about the Law Offices proceeds upon a mistake regarding the composition of the Party. The Labour Party has now associated with it lawyers whose status is as good as that of those who have been appointed to those offices by other Parties. A recent appointment to the great historical office of Lord Chancellor shows that whoever fills it need not necessarily be a great or a dignified lawyer, a wise or very upright politician, a sensible man or a law-abiding citizen. It would certainly be the easiest thing in the world for the Labour Party, were the responsibility for governing thrust upon it, to fill these legal offices with competent men. But even were that not so, these offices are run by a legal Civil Service and, as the rescuing of Parties from lawyers who use constituencies to advance their personal ends is a much needed reform, neither the country nor the Party would suffer if a Labour Government were compelled to reconsider the present methods of obtaining legal advice. There is perhaps no department in public life that requires a more thorough overhauling, both in its own and the community's interest, than the bar in relation to politics.

The Foreign Office raises questions somewhat

akin to those raised by the legal offices, and needs the same thorough overhauling as they do. It has managed to draw itself apart from the life of the country and has surrounded itself with a magic which warns off the ordinary man from its precincts. When Civil Service appointments were thrown open to public competition, the Foreign Office was preserved to patronage ; when our State opened its administrative doors to brains wherever they were to be found, the Foreign Office remained barred to all except those whose parents could give them a subsidy of £400 a year ; when public business, thanks to the Liberal regime, became a public affair and the country was being taught that national interests were not served by the agreements of governing cliques bound together so that they had to praise each others virtues however meagre and cover up each others mistakes however ample, but by free discussion of independent men equipped by knowledge put at their disposal and holding different views of national policy, which presumably they do honestly—when this contribution to the art of government was being made, the Foreign Office again succeeded in exempting itself from open windows and fresh air. The plausible but

pernicious theory of the "continuity of Foreign Policy" was artfully preached, nominally as a condition of national security, but really as a means of continuing bureaucratic and class predominance in our foreign relationships and of maintaining appointments and promotions by intrigue (largely controlled by certain clerical influences) in a way which is no secret to those familiar with Whitehall life. At point after point the religious ceremony of taboo has been performed in the interests of the Foreign Office. The inevitable results have followed. The British people are the worst instructed in foreign affairs of any great people in the wide world; the debates on foreign affairs in the House of Commons are, with the exception of those in the old Reichstag, the most perfunctory, the least well informed and the least important of the similar debates in the representative chambers of Powers of any consequence; the British Parliament has had as much influence on foreign developments during the last generation as the States of the Island of Jersey; no one who is taking an intelligent interest in foreign questions can get the necessary material in English papers; the Foreign Office has become more and more the centre of a life absolutely artificial in its

methods, its ceremonies, its views of the government and life of States. It turned up its nose at British commercial interests, and regarded them as Rob Roy did the shopkeeping pursuits of Baillie Nicol Jarvie. When the war broke out, it did not know enough about our foreign commercial houses to protect itself against being made use of. A simply told story of the Foreign Office, its mind and methods, would be in relation to modern government what the gaudily liveried beefeaters of the Tower are to the modern policeman. The points at which it comes in contact with other States are the Embassy Ball and the Court function on the one hand, and the haunts of the spy and the scoundrel on the other. This artificiality has produced a bitter fruit. It has demanded as essential to its continuance not only secrecy but deceit, and it has received sanction for both in abundant measure. In no other class of State transactions have the sacred rites of honour and just dealing been more consciously, and almost on principle, violated them in this. Thus a vast complex of unstable erections by agreement, understanding, treaty, pledge and semi-pledge has been set up upon the maintenance of which the peace of nations has depended,

but regarding them nations have known no more than unborn babes. This combination of disease, antiquity, deceit practiced on the nations and with the nations behind it and innocently involved in it, could only end in collapse. It has become a bye-word in political wisdom that policy determines armaments. A system so artificial and so insecure in its diplomatic structure, makes inevitable the preparation of force as a reserve to which resort may be had at any moment. Given the existing conditions of diplomacy, its secrecy and the world of risks and uncertainties which it creates, and no nation can wisely hang the sword to rust on its walls. Force is its reality. It plays its great games, masquerades in its grand ceremonies, studies its correct demeanours, and when the powers behind it are mature, its own work sweeps it off the stage and, after an instant of darkness, the lights are turned up upon marching armies.

If the war is to do a particle of good to Europe, it must destroy the one reason for the continuance of the old methods of Foreign Offices. Foreign Offices have been run to keep Courts and not peoples in contact with each other. They have belonged to the mechanism of autocracy not to that of democracy; they

have gone on the assumption that neither peoples nor Parliaments were of much account. Monarchs, ambassadors, Foreign Secretaries—these were the real rulers of mankind. If the new after-the-war world has been taught anything by the terrible years of war, and if it is wise, it will end all that. It will make foreign affairs as open to public opinion as home affairs. The idea that in the official relations and discussions of nations there is something which makes autocracy and secrecy the condition of wisdom and safety is a pure myth. It is one of those things that pass as spurious coin into proverbial currency. People get accustomed to it, never think about it or examine it critically, and, absurd and dangerous though it may be, it is protected by habit. Now, with the passing of the Czar and the Kaiser and with the break up of great military states in Central Europe and the creation of many democracies in their stead, both the spirit and the methods of diplomacy must change. The nation now requires that someone with a stout besom and a strong arm shall take possession of the Foreign Office. But only for a brief year or so are we to have a chance to make the change. Once the old evil methods are started, we are in their toils.

There will always be weighty reasons for continuing them. Change will be increasingly difficult and dangerous.

When democracy treats with democracy, the Foreign Secretary must be a man who understands the nations with which he has to deal. The nations for and with which he acts must be living things with a public opinion in control. Public opinion must be his safety both at home and abroad. As a constitutional monarch lives, so to speak, with his Parliament, so a Foreign Secretary ought to live with the nations. His wisdom is to publish much and conceal little, to inform fully and keep no one in ignorance. Thrice is he armed who hath his quarrel clear to the world. Every military genius has emphasised the necessity of directing in time of war an offensive against the public opinion as well as against the armies of enemy countries. Such an offensive is still more necessary in times of peace. The sound and the just policy needs the support of opinion, the doubtful one needs its criticism, the bad one needs its correction. Peace and goodwill are maintained in the forum not in the arsenal; they belong to the mind of people not to the treaties hidden away in archives. This is all the more necessary when

we are dealing with a great number of small states in the governments and Parliaments of which there is a considerable proportion of working class leaders. It is the easiest thing in the world to use the rivalries and the ambitions of these States for forming unstable balances and groups, and to mislead them in their development by re-establishing in their Foreign Offices the same autocracy that has been cast out from their thrones and by nurturing in their embassies the intrigues that have been assailed in their capital cities. If this is allowed, nationality will be a curse and not a blessing in the future. The time has come for treating foreign affairs as ordinary parts of our national life, for pursuing a policy of open frankness regarding them, and for compelling the people to assume responsibility for their relations with their neighbours.

With this in mind I can turn to give an answer to the question: What qualifications has the Labour Party for conducting Foreign Affairs?

The Labour Party has many foreign contacts just at the most important points both political and industrial. The Trade Union movement has now built up a far reaching International organisation. The miners have had regular International conferences since 1890

and have resumed them since the war, the Transport workers since 1898, the Textile workers since 1893.* In 1888 the British Trade Unions summoned a General Trade Union International Conference, and in 1901 an International Secretariat was formed. On its purely political side the Party's International contact is even better. Since 1904, it has been affiliated to the International Socialist Congress and was represented by delegates at Amsterdam (1904), Stuttgart (1907) and Copenhagen (1910), and would have been at Vienna in 1914 but the war came. The contact is kept up by correspondence, frequent personal consultations and visits.

In these gatherings our Labour leaders meet the leaders of the world democracy, for not from the Continent only but from wherever there is a movement of Socialism and Labour, delegates come to these Congresses. On their committees world affairs are discussed, in their salons friendships are made and a knowledge of the most active spirits in the Old and New Worlds acquired, at innumerable private meetings information is exchanged. Thus, at one of these Congresses held at Berne in February,

* In the "Labour Year Book: 1916" a list of 32 international Trade Union secretariats is given.

1919, the leaders of every Continental democratic movement, both in the old States and the new, met; those who had just been foes and those who had been allies, the vanquished and the victor, the race long oppressed and now free and the race that had been its oppressor. In the course of a brief week, the members of the various commissions at Berne saw more of the men who are responsible for leadership in Europe, got more intimate information as to the condition of affairs amongst the nations, went more thoroughly into territorial questions, and had got on to far sounder lines of treatment than "all the King's horses and all the King's men" with their entourage, their paraphanalia, their extravagance that for a year made the Hotel Majestic a sorry joke and Paris a heartless farce sinking into a melancholy tragedy.

This suggests how Foreign Policy ought to be conducted in the future. The ideal Foreign Secretary must be in touch with the democratic movements abroad, must have a personal knowledge of their leaders, their influence, their strength and their weakness, must understand the peoples with whom he has to deal. And it would be a great advantage if he were known himself—if he were not merely a familiar name

but a familiar person. He must represent not merely the rivalries and conflicting ambitions of his nation but its neighbourliness, its desire to co-operate, its international spirit. He must be known as a man of two qualities, one who is not to be imposed upon and one who does not wish to impose upon anyone else, a keeper of his national honour and interest and an apostle of international goodwill. In such men, the Labour Party is far richer than any other Party. On its list of possible representatives in Parliament are two or three such men for every one found on the combined lists of the other Parties. To people who know nothing whatever about the Labour personnel, and who, even at this late hour, imagine it to be a set of rude and crude, unlettered and ignorant workmen, the claim seems to be the height of absurdity, but it is true nevertheless, that owing to the international contacts of Labour, its leaders have a wider foreign acquaintance in political circles and a more accurate knowledge of foreign political movements than those of any other Party. Labour is best fitted to lay the foundations of that policy which will send disputes into courts and not battlefields, which will give the League of Nations a chance of operating, which will

bring disarmament into the sphere of practical politics, and which will end for ever the dangers and the unrealities of the old diplomacy.

With Foreign Affairs I group the two Departments of Defence—the Army and the Navy. The conditions of these Departments obviously depend upon what is happening in world policy. They follow the successes or failures of statesmanship. The Paris Peace policy means unsettlement and war, and war means an army and navy. Whatever one's wishes may be that sequence cannot be avoided. The mere peace sentimentalist is not a pacifist at all, but a person who will not face unpleasant issues. The only way to remove the necessity for an organisation of force is to remove the causes of war.

The danger to-day is that these Defence Departments may control political policy—or, in other words, that their political heads may use them for political ends. The present policy of the Allies in Europe is the product of this dominating influence ; it was this that imposed upon us a Russian policy which brought defeat and humiliation upon us. The political activities of those Departments can make them indispensable. They light the flames against

which they are supposed to be an insurance; they create the troubles against which they are to defend us. A necessary quality of the heads of these Departments is therefore that they should follow policy and not make it, that their hearts should be purged of Napoleonic ideas of their function, and their minds cleared of the taint of a belief in the Military State as opposed to the Civil State.* Their duty is to use economically and effectively both money and brains, to uproot caste wherever it is found hampering their work, to turn their machine into a business like affair.

Again, the material available for this change is to be found certainly as well in the Labour Party as in any other. The Party includes amongst its candidates not only men who held high staff appointments and know the whole Army and Navy machine intimately, but it also commands the allegiance of a multitude of those

* The general policy which these brief sentences on the function of the political head of the War Office and Admiralty indicate, is not the casual thought of a Labour politician, but a conclusion to which most people have come who have pondered over the relation between these Departments, the Foreign Office and the Cabinet, between military preparations and military need, between the political head and his technical military experts. The conclusion is shared by both military and political writers, and is expounded with great lucidity by Clausewitz himself. It is a profound pity that the carelessness and subservience of Parliament has not yet enforced it upon Ministers. To-day, there is good reason for believing that the Committee of Imperial Defence has more to say on foreign policy than the Cabinet itself.

men who fought with intelligence, who now understand the Army and Navy out and in, who have their minds clearly made up as to the function of Defence Forces in a State, and who in the work of reorganisation have an invaluable experience both in the training and the handling of forces and in the organisation which knits the whole system together. That experience and those ideas ought to be fruitful. If we cannot now readjust defence to civil policy before old habits return and fix their roots again in the Admiralty and War Office, we run grave risks of not being able to do so until the next war gives our children another opportunity of being wise. The type of man I have described either at the head of those Departments or, working out the policy I have outlined, as Parliamentary Secretaries is our only guarantee that the nation is not to pass under the control of its military organisation and that that organisation is not to be stupid and inefficient.

CHAPTER VIII

A LABOUR CABINET. II

In strictly domestic affairs there is perhaps less disposition to question the ministerial resources of the Labour Party. Labour's great strength in men who have mastered all the details of Local Government and who by practical experience know what powers it needs in order to become efficient, and what supervision it requires in order to be kept alive, provides it with a specially well equipped staff of Parliamentary representatives to man Departments like Public Health and the Home Office ; its educationalists (men actively engaged in the Workers' Education Association for instance) who from personal experience know the problems of working class education, would do more for public instruction than the most competent man who has acquired the habits of a university and who cannot help regarding elementary and

secondary education from the purely university point of view. The Labour educationalist who has been spending years trying to interest his people in education and his country in a truly educational programme smiled, partly with satisfaction but largely with amusement, when he heard the chorus of welcome with which the Education Bill of 1917 was greeted as a great educational advance. Whatever we may think of Russia and its Bolshevist government, it, owing solely to the influences and minds which Labour can command wherever it rules, has done more in twenty months to organise education, to free it from false and futile notions, and to join with it all the elements of art and learning, taste and knowledge that go to make true culture, than this country has done for twenty years or will do for the next twenty on present lines. If the real improvement in education which have marked recent years were catalogued, most of them like baths, open-air schools, medical attendance, the feeding of underfed children, the proper training of teachers, and the changes in curriculum which have been aimed at the cultivation of the pupil's mind rather than the loading and paralysing of his intelligence by book reading and memoris-

ing, would be found to have been advocated in the first place by Labour representatives.

The same freshness of idea and experience can be brought by the Labour Party into the Commercial and Labour Departments. At present these are in infant stages because no Party which has hitherto controlled them has a definite conception of what the relations between the State and Trade and Labour ought to be. Begun chiefly as recording offices (a very worthy object) they are at present concerned with the detailed administration of certain industrial laws and orders. Only recently has the Board of Trade seen that by promoting exhibitions can the State promote trade and enliven production.

A Labour Government at the Board of Trade would promote international commerce by keeping in contact with the great democratic channels of exchange like the Co-operative movement; it would study markets and be familiar with everything done both at home and abroad relating to production and trade; it would treat the question of national and international commerce as one requiring scientific research. It would promote conferences both national and international. It would command

the services and the support of the new generation of business men who are at last aware that the organisation of commerce requires brains and science just as much as the management of our most technical production. The view that there is something antagonistic between the work of an efficient Board of Trade and a Labour Government is a remnant of the bad times, which I hope are now passing, when, in a disorganised Society, workmen were taught to consider that their interests began and ended with their day's labour. The truth is, that it would be the special pride of a competent Labour President of the Board of Trade to lift up this Department from the inferior status which it has hitherto been content to occupy, and give to it the importance which belongs to it as representing those social and economic functions which supply life blood to Society.

The same spirit and idea will re-create the Labour Ministry. It is hard to forgive the Labour members of the Government who accepted for themselves and foisted upon Parliament the miserable apology for a Labour Department which was created in 1917. It was one of those niggardly things which not only show how Labour is regarded by all

Governments, but how Labour too often regards itself.

One of the most pressing of the problems in social relationship which must be settled now is the position of Labour in the industrial community. Regarded as a section apart, with which negotiations have to be conducted and bargains struck, Labour and the community will never be at peace. So long as a Government, unpopular with and distrusted by organised labour, acts as though it were the community, so long as the public keep in the habit of assuming that the disagreements between Labour and such a Government are in reality disagreements between Labour and the community (which they are not), so long as Labour is taught, by an almost imperceptible mental process, to confound capitalism with the community and to take up the same attitude to the community as it quite properly took up to capitalists, there is no prospect in front of us but strife.

An understanding of the present position is necessary because it explains much of the Labour trouble we have had for the past few years. Labour disputes had become matters which, especially when they broke out in such

essential industries as mining and railway service, so affected the whole community that somebody representing the community had to take cognisance of them. Two things happened. The House of Commons discussed them, brought pressure to bear on both sides to settle them, and itself acted by legislation. How far we have gone on this road can best be seen if we compare the inactivity of Parliament during the prolonged Miners' Strike of 1893, and its activity during the next great Strike of 1912. The other thing which happened was that a department was added to the Board of Trade to adjudicate on Trade disputes. Thus both Capital and Labour knows that if it enters upon a dispute, it can bring pressure to bear upon a third party to step in and influence the issue. Now, I hold that a great strike is such a serious thing that the community cannot remain indifferent to it, but our attempts to devise the form in which the community should show its concern have not been very successful hitherto. The Australasian experience of industrial conciliation and arbitration shows that the presence of this third party for the purpose of settlement encourages rather than discourages disputes, and that Labour disputes like national disputes

can be avoided not by creating a machinery for their settlement but by removing their causes. When dispute after dispute is ended by the resourceful compromises of a Prime Minister or a Government official, no real settlement has been reached. All that has happened is that the trouble has been quieted to-day to become wider awake to-morrow. That method, invariably pursued during these past troublous years, has increased unrest and has been a great disservice both to the community and to Labour.

We must tackle this problem at an altogether different point and with an altogether different conception of its meaning and character. This is where a Labour head of the Labour Ministry will be of such value. We have first of all to cease, both in our language and our thought, giving the impression that organised labour and the community are in antagonism, and this can be done by the Labour Ministry adopting a policy and an attitude which convinces Labour that it is at last in a really responsible partnership as part of the community. The Labour Ministry will then become possessed of full knowledge of why conflicts are arising, and its advice regarding them will be held in respect

by organised Labour. It will be Labour acting, not in a sectional, but in a communal way, and if sectional Labour will not listen, then the public will be fully justified in regarding the dispute as being between the labour concerned and the rest of the community. Then we shall know where we are. Labour at the Labour Ministry will be a guarantee to Labour that its interests in the community are being safeguarded and, at the same time, a guarantee to the community that its interests are being fairly treated. It is the spirit that is wrong to-day, and we shall never get into the right spirit until we have some open demonstration that old jealousies need not be harboured because old injustices need not be continued.

The treatment of such matters as unemployment by a Labour Government will have the double advantage of being in the hands of men who know by experience what they mean, and men who are responsible not only for describing them—the limit of mere agitation—but for fitting them into administrative and financial schemes. Society is always badly served when classes with grievances have no direct voice in government ; it is badly served when the leaders of these classes remain in the position of critics

only ; it is badly served when these grievances are taken up by political parties whose sole intention is to clap a salve and a poultice on them and, like a quack doctor, pocket a fee and quieten the patient with expectation ; it is badly served when men from the classes in trouble join governments to accommodate themselves to official styles and habits ; it is only well served when it employs the best experience to give it an honest diagnosis of its diseases and when it imposes responsibilities upon those whose knowledge of its ills is most complete.

One Department still demands consideration as it is not covered by anything written above. I mean the Exchequer. At first sight, this is one of the offices that Labour will find most difficulty in filling, but that is only the case because on first thoughts Labour appears to be nothing but a group of men with no experience except what can be acquired in factories, workshops, mines, Trade Union offices and such places. I must remind my readers that that is not so and that the Labour Party can draw for its Ministers upon as wide a field of ability and training as any other Party.

The actual details of a Budget are the concern

of Civil Servants rather than of a Chancellor of the Exchequer. The characteristic work of the Chancellor is to watch lest Departments are spending uselessly and lest certain sides of communal need are being starved by less necessary expenditure upon other sides. When Mr. Lloyd George's Parliamentary ambitions made him, as Chancellor, crave for the popularity of the head of a spending Department, he set a precedent which, in the interests of the nation, ought not to be repeated. As regards the Budget, the Chancellor's special work is to decide the principles upon which taxation should be imposed and select the points where it is to be borne.

No Party can tax scientifically unless it has worked out a theory of the obligations of property to the State or community and examined the effects of forms and weights of taxation upon such matters as standards of life, freedom of industry, use of capital, ultimate taxpayers, and such like. Adam Smith did that for this country when its revenue was £10,000,000 per annum and the cost of a great war was no more than £90,000,000. Then, particularly in his comparison between French and British taxation (a comparison that can

still be made unfortunately), he pointed out that there were good ways and bad ways of securing revenue, and he remarked (and it is well to remind ourselves of what he wrote) that

> "When national debts have once been accumulated to a certain degree, there is scarce, I believe, a single instance of their having been fairly and completely paid. The liberation of the public revenue, if it has ever been brought about at all, has always been brought about by a bankruptcy; sometimes by an avowed one, though frequently by a pretended payment."

One form of pretended payment which trys to conceal a bankruptcy is :

> "Nations have sometimes adulterated the standard of their coin; that is, have mixed a greater quantity of alloy in it."

He makes this further observation regarding the effect of such expedients :

> "It occasions a general and most pernicious subversion of the fortunes of private people: enriching in most cases the idle and profuse debtor at the expense of the industrious and

frugal creditor; and transporting a great part of the national capital from the hands which were likely to increase and improve it to those who are likely to dissipate and destroy it."

Before leaving Adam Smith one further remark of his ought to be noted :

"A creditor of the public, considered merely as such, has no interest in the good condition of any particular portion of land or in the good management of any particular portion of capital stock. . . . Its ruin . . . cannot directly affect him."

Wonderfully illuminating sentences to which Mr. Chamberlain's attention might well be drawn before he ventures to make another speech on debt and taxation.

This is not the place to discuss the intricacies of national finance, but whoever is interested in the subject must be struck with the fact that so much of the thinking done on it is inspired by the spirit of the Labour Party.* The Independent Labour Party was the first to remind the country that so great a national debt can be accumulated that it cannot be paid

* See, for instance, J A Hobson's "Taxation in the New State."

by a Sinking Fund raised from income, and since then the thesis has been amplified and enforced. Payment from income must be supplemented by one or other of the expedients indicated by Adam Smith to cover up bankruptcy by tricks, which make a country pay dear and oppress unjustly the most industrious and weakest sections of the community; it must mean Budgets so colossal that considerations of sound finance have to be subordinated to the necessity of raising certain sums*; it must impose in times of peace, and for many years, taxation which will inflate prices, hamper industry and private economy, and baffle the mind and destroy the good temper of Society trying in vain to overtake prices by constant spurts of income. Again I turn to Adam Smith:

* Such a Budget is that of this year (1920). Its total is so great that attempts to distribute it equitably are defied. In searching for income the Chancellor has had to put his hands upon it wherever he could find cash. The balance between direct and indirect taxes has had to be abandoned; economic considerations as to how to tax in such a way that the incomes directly dealt with could not shift the tax on to other incomes to the detriment of Society could not be taken into account; extravagance and profiteering have had to be encouraged in order that the Treasury might share in exploitation; in important respects millionaires and needy people have had to be burdened equally because their savings are in the same pool and a raid has had to be made upon the pool as a whole in order to bring both sides of the State accounts into something like a decent relationship; capital has had to be treated as income in order to conceal the fact that it is only possible to make ends meet by fresh borrowing.

> "After all the proper subjects of taxation have been exhausted, if the exigencies of the State still continue to require new taxes, they must be imposed upon improper ones."

To apply Adam Smith's reasoning to our financial condition to-day I should put it thus: "After all the sound methods of taxation have been exhausted and the Budget still shows a deficit, unsound methods must be resorted to." Appearances indicate a prolonged continuance of stressful financial conditions and give no hope that unsound methods can be departed from in a hurry. Nor do these unsound methods promise success in meeting the difficulty; they only aggravate it. They are to make a bankruptcy all the more inevitable and render ineffective the historical methods mentioned by Adam Smith by which the nation virtually repudiates part of its debt without undergoing the moral disgrace and financial shock of doing so openly. For, in so far as high prices are due to a debased or inflated currency, and in so far as the state of national indebtedness lowers the price not only of Consols but of other securities, a section of the people are actually submitting to conscription of wealth imposed, however,

unfairly and with no scientific precision. Mr. Chamberlain's finance is penalising certain unfortunate classes of property in the interest of other classes.

The Labour Party regards the debt as a problem separate from annual income because to attempt to impose its burdens upon annual income is to keep production under crushing loads, to bar our goods from foreign markets, and to keep individual incomes at such low values in exchange that the least interruption in the mechanism of production, the least depression in trade, will involve Society in grave risk of serious disorder. When a private trading company is overcapitalised it writes off the capital which it cannot carry. At the present moment, in view of the enormous national debt, the figures at which private possessions stand are all fictitious, and a result of maintaining the fiction is that the financier is able to exact an alarming proportion of national production, to impose a ridiculous toll upon brains, labour and capital used in production. Even if the nation's production could afford it, there is every reason in the world and in the text books for putting an end to such a state of things. But unless we are on the verge of some new

and miraculous development in the means by which production is increased, as we were at the end of the eighteenth century, we cannot afford it. The mere putting forth of more labour energy will not be enough. If Labour were to abandon all its conditions which seem to be limitations, but most of which are in reality economies in the long run, and work for the next twenty years with the reckless extravagance with which it threw itself into war work, the terrible human deterioration that would ensue would not bring financial freedom to the State. We have to reduce that debt.

This fact, seen so clearly by the Independent Labour Party as early as 1915 and clung to so persistently by the Labour Party ever since, has at last to be recognised by all Parties, and the feeble compromise of imposing a special levy on war wealth has been adopted by them.*

Whereas, however, the Labour Party deals

* This was written before Mr. Chamberlain abandoned the proposal. I let it stand, however, as two contentions have not been withdrawn: that it is desirable to reduce debt more drastically than by a Sinking Fund and that it would be just to impose a levy on certains forms of capital. The proposal was supported by the Treasury and withdrawn upon the threats of the interested parties.

with the problem scientifically the other Parties deal with it "politically." To speak of war wealth rouses prejudice. It undoubtedly occupies a moral catagory by itself. The *nouveaux riches* who have been created by the war ought to be surrounded with a great measure of contempt. But when we tax, that is not how we select our victims. We have quite properly put earned and unearned incomes into different categories, but not incomes honourably and dishonourably earned. We do not tax bookmakers fifty per cent. and teachers ten, and to begin this sort of differentiation now is only to play down to ignorance and resort to clap-trap. It is, moreover, one of those birds that come home to roost.

There is no scientific distinction between wealth made upon Government contracts during the war and wealth made owing to the scarcity of material since the war ; it is impossible to draw a sufficiently accurate line between wealth directly and wealth indirectly influenced in its amount by the war ; it is as impossible to draw war wealth from the general body of wealth as it is to draw the waters of the Nile from the Mediterranean at Alexandria, though the colour they give to the sea is evident.

Let us face obvious facts. The capital that has been lost owing to the war still stands in our private ledgers at old figures; none of us own what we try to maintain that we own, and it is in the interest of everybody severally and collectively that our figures should approximate more nearly than they do to the actual wealth which we command. Upon these principles of honest and real finance the Labour Party stands when it proposes to reduce debt by conscripting wealth on a scale adjusted to correspond with ability to pay.

This done, income, food and other forms of taxation can be substantially reduced and industry freed from oppressive charges. The new generation will face the world comparatively free from the debts of the old and so be able to adjust itself to its new circumstances.

In imposing its normal taxation, the Labour Party will be guided by certain general principles drawn from sound social economy and human efficiency and need. Taxable income should be reckoned after a fair average standard of life has been provided for; taxes should be imposed so far as possible where they will remain and not be transferred; they should hamper industry to a minimum extent; they should be

placed heavily upon all socially created wealth the best type of which is urban land values; they should also fall heavily on those categories of wealth in the accumulation of which least individual energy and ability are required and in the holding of which least social wellbeing is involved. In other words, taxes should primarily rest upon what is in truth social property and what are true surpluses in individual property; and, for what state income is necessary beyond that, the impost should be levied in strict accord with "ability to pay." Those principles made clear, the details of a Budget are only a matter of careful selection of methods and classification of things and estates to which taxes may be attached.

I emphasise these things, because in national finance clarity in principle and purpose is of the utmost importance. Mr. Gladstone's genius as a financier in Mid-Victorian times lay not, strictly speaking, in his business ability in compiling a Budget, but in his inheritance of sound theory from the Liberal economists. The Labour Party to-day is being endowed with a similar inheritance, and if it had to provide a Chancellor of the Exchequer to-morrow, the bases of the income side of his Budget are

already pigeon-holed for him to translate into a scheme and figures.

The expenditure side of his Budget may give him greater difficulties and he may have cause to regret that his immediate predecessors have departed from the sound maxim that the Chancellor of the Exchequer is a financial watch-dog over the expenditure of other Departments. His first business to-day would be to cut down Whitehall expenditure and to lop off many of the tentacles which it has thrust out over the country. And he would do this without adopting the outworn dictum that all State expenditure is in its nature at best a regrettable necessity, or that only that State is blessed which has a small Budget. Only that State is blessed whose Budget is profitable, and the more profitable the Budget, the more blessed the State.

In this respect, the great problem which confronts a Labour Chancellor is to classify (it cannot be done but roughly and yet it is necessary) the sources from which various expenditures should come. These sources are four in the main—family, locality, nation, trade. Family expenditure means, for the masses, wages; local expenditure is found

mainly from rates, national expenditure from taxes, and trade expenditure from profits and includes workmen's compensation, the employers' contributions to health insurance and such charges. There is at present a strong tendency to put more and more family, local and trade charges upon the State, and this, a Labour Chancellor should strenuously resist. Each of the various functioning unities ought to have its own economic basis. For instance, the family income should be sufficient to meet all the needs of children, and the trade income to meet its obligation to workmen. The idea of the benevolent State with unlimited resources making good all deficiencies is most subversive and can only be entertained when, owing to some social disruption, citizenship is becoming degraded.

It is foolish to try and set rigid limits to State expenditure in terms of figures. Figures mean nothing. But limits should be set in principle. In the present condition of things it is hard to apply these principles. Who, for instance, would consider it wise to allow children to go unfed because the charge for their feeding ought to be a family charge? The family income is inadequate and children must not be

undermined in physique. Such specific cases put us on the horns of the dilemma of principle and necessity, and we are compelled to do the necessary thing. But in doing it we should admit that it is a bad thing and be sleeplessly vigilant lest temporary necessity transforms itself into a steady policy. Of several valuable services which a Labour Chancellor of the Exchequer can render to his nation, I can conceive of none greater than the laying down of certain broad lines (not as rigid dogmas but as guiding influences) limiting the financial responsibilities of the State in relation to the family, the local governing area and the trade or profession. If that is not done, national finance will become more and more chaotic and its administration more and more unsound, whilst the essential social groups, associations and functions will become more and more parasitic in fact and in thought, and will lose their sense of economic independence. If anyone treats that lightly I profoundly disagree with him.

On the other hand, if the Labour Chancellor takes the line I am indicating, he will, by exposing the economic responsibility of these groups, make it clear where reform in the

distribution of wealth is required, what social functions are being starved, what rendered parasitic, where are the springs of the deadening poisons of carelessness and loss of self respect from which Society now suffers so much.

CHAPTER IX

A PROGRAMME

My task of explaining what the Labour Party is and what is the nature of its mind and its vision draws to a close, and little remains to be done except to supplement and point what I have written by saying something of its immediate programme, although indeed that has been a minor thought in connection with this book. Take care of the pounds and the pence will take care of themselves is a better proverb than the similar one that is in current use. I have been taking care of the pounds. Programmes are meaningless unless in relation to some conception of Society and the State. An election address consisting of a programme is generally the least effective part of a candidate's equipment. True, the people want to know where he stands on this and that topic of the hour, Free Trade, Conscription of Wealth and

such like, but much more do they, if they are wise, want to know the political group with which he associates and his own general outlook, together with the equipment of mind and character which he wishes to place at their disposal. Knowing these more general and fundamental things, they can take the items of his programme pretty much on trust, for at best they change with the tides of the day and their relative value is always in a state of flux.

Let us see, however, supposing there was a Labour Government in office to-morrow, what sort of King's Speech would it produce.

It would begin with foreign affairs, not only because such is the precedent, but because they are of the first importance at the moment. A Labour King's Speech would " regret " the condition in which the war has left Europe, the failure of the work done since the armistice, our Russian policy, the blockade, and particularly the parlous position of the League of Nations. It would announce its desire to bring our late enemies into the League and to enable the League to reconsider its own constitution, so that it become a Council of Peoples and not merely an Executive of Governments. It would refer to the League questions arising out of the

Peace Treaty, some for revision and some for advice. This would orientate its whole Foreign policy on lines of open diplomacy, co-operative effort, judicial proceedings, disarmament, and it would carry out this policy step by step in conjunction with other nations and gathering to its aid public opinion.

The speech would go on to deal with finance; and the problem of finance is debt. This it would diminish to compassable limits by a levy on wealth, and would reduce taxation accordingly. This would make prices fall and enable us to reduce taxation beginning with indirect imposts. A Funded Debt, a steady withdrawal of superfluous currency and pressure against the issue by the banks of extravagant credit would augment that movement, and make possible a policy of further reduction of debt from income. Rigid departmental economies would be pursued, the rival flights of profits and wages would be stopped, and the country would find equilibrium without going through the catastrophe which is so commonly taken for granted.

It would base its policy of domestic reform on the land. The scientific development of agriculture, the planting of people on the soil, the development of the village, would be at once

set about, national and local effort being co-ordinated for that purpose. It would see that rent, which is a social product, goes to enrich society and not to keep a class, and the increased income of labour would be made a reason for improving the quality of consumption and the beauty of life, and thus give opportunity for maintaining many of those small "peasant" and hand industries which alone can surround people with individuality and distinction. Individual production can be crushed out by mechanical factory production only in a poverty-stricken community where the exigencies of price are so great that the desire for happiness in use cannot be considered. The machine and the hand will then be brought into proper relationship.

Such matters as housing and education would be properly dealt with. As regards the first, the policy of dole would be resorted to only as a last resource because though forced upon us by present exigencies, its evils are serious and tend like weeds to perpetuate themselves and spread. It would therefore tackle directly the costs of building material and would reduce them, and with them it would build houses of a higher standard than those that are at present

being built, designed and fitted up for the purpose of reducing labour to a minimum. It would thus intentionally create a new standard of demand and deliberately compel in time the reconstruction of existing houses. The process can not be finished in a day or in the life of a Parliament, but it would be begun and would go on by its own momentum. In doing this it would encourage direct labour, especially labour organised to be its own employers.

Education would be controlled and inspired for the first time in our history by capable men who have come through the ordinary elementary school and not by the university-made bureaucrat. Education can thus become education and not an expensive education machine. Its spirit should be suffused throughout by art, by culture, by individuality, by reality, and the opposition between the school and real life, from which we suffer so much to-day, and is at once the product and the cause of so much English class snobbishness, would tend to disappear. The Education Department would become less of an office and more of an inspiring centre than ever it has been.

A Labour Government will not be fully satisfied with Parliament as it exists to-day.

As I have indicated, Parliament has got out of touch with the life of the country and the machinery of election and representation which produces a government is not up to date. An early intimation would be made that the Cabinet is to give the House of Commons more freedom in expressing its views and, therefore, more responsibility for the government of the country. Instead of the House of Commons being as it is now a mere crowd of seven hundred members of whom not much more than a score know what is going on or have any influence upon either administration or legislation, the remainder being only talkers or voters obedient to government whips, it would be turned into a body of representatives grouped so as to assist departments, possessed of information which would make their advice valuable, and enfranchised as members of a legislative and administrative body. The government would therefore decline to treat every division as a vote of confidence or censure and would take its stand upon general policy and programme essentials upon which it must have a majority, but it would allow the House to express an unfettered judgment on details. Thus, by increasing the efficiency of Parliament and the responsibility of the private

Member, the Labour Government would restore to the House of Commons some of that dignity and respect which it has lost and of which it is in such sad need. Parliament would have work and not only talking to do. Something more, however, is required, and a Labour Government should appoint a really able Commission to enquire into and report upon the powers of local governing bodies in relation to Parliament, and the working of our present system of constituencies in relation to representative government and democratic control. A thorough examination of our representative system is now absolutely necessary, and it ought to be undertaken by a Government that feels its shortcomings, but is too wise to rush into remedies without an exploration of the whole subject. This is pre-eminently work that should be done first of all by a Commission of the ablest men who can be brought together. We cannot possibly go on under Parliaments that are not representative, trusting to General Elections during which real national issues are not discussed or, if they are, have little influence on voting results. A continuation of the ostrich policy of refusing to see the changed relations between Parliament and the country and, in

consequence, refusing to amend Parliamentary practice and machinery, is to keep the governing function of the nation divided on the one hand into the official organ of Parliament, and on the other, movements and associations formed from time to time to force upon Parliament matters about which it takes too lethargic an interest, points of view of which it wishes to take no cognisance because it has been elected upon false issues, and policies upon which it and the nation are at variance. A movement for "Direct Action" is the measure of Parliamentary failure, not an indication of the growth of anarchism. The existence of this division between the ordinary political authority of Parliament and the sporadic manifestation of Direct Action indicates not a vigilance of Democracy, but a failure of Democracy. It is to lead to a disruption of the political State and to conflicts which, though not conducted by armed citizens, are virtually civil war. That, a Labour Government would meet by drastic improvement in Parliamentary procedure and organisation.

Meanwhile, the friction of nationality within the Empire continues to produce more and more difficult problems. Some of the rights claimed

by nationalities are nothing but aggressive badges of liberty and are not truly essential. The war, however, has greatly multiplied the danger of nationalist pride and vanity which, if not sympathetically handled, will produce disruptions for many years to come. Our own Dominions are much more nations in 1920 than they were in 1913. Ottawa is encouraged to have an independent ambassador at Washington; Australia is to have an independent policy in the Pacific. Unless these new developments, which no man can check and no man should try to check, can be fitted into a comprehensive and efficient system of world peace, they will, so soon as the world recovers from the exhaustion and the troubles of the war, express themselves in schemes of military defence, of diplomatic intrigues and balance of power, in alliances and counter alliances. The Imperial bond would thus be broken and a permanent union give place to temporary combinations.

At the same time, we have to deal with three communities demanding freedom, one of which Egypt, is in a special position. We have given it from time to time the most unequivocal pledges that we had no intention of depriving it of its independence, and, if honour has any

significance, our honour bars the way to our annexation of that country. We must be strong enough and courageous enough to refrain from doing on any pretext that which we should condemn other nations for doing. We have great Imperial interests in the Suez Canal, but these interests require, not an exclusive, but a general safeguard. It is the uninterrupted use of the Canal that is required, and the way to secure it is not to seize the sovereignty of the people through whose territory it goes, but to make its working an international concern guaranteed by the combination which keeps the world in peace. We could have no more devoted friend in the world than Egypt if we would allow Egypt to be independent. This requires some courage as, when territory has once been taken, a large number of vociferous people consider that their honour and prestige are bound up in the accomplished fact by whatever means the accomplishment has been secured. There are always some dangerous minds that cannot go back on any error. They would risk dishonour and disaster first.

With India the matter is different. Its claim is the modest one of self-government within the Empire. The recent Government of India

Act has been a step in this direction, and pledges by a Labour Government that the Act is to be worked in good spirit and its defects remedied in good will, will help India on to the road of calm and normal development inspired by its own genius and culture.

Ireland is a problem of greater intricacy, delicacy and difficulty. We have deliberately thrown Ireland into hostility; we have raised in it the demons of contention; we have made it a rebel pursuing the programme and the methods of a rebel; we have exorcised the spirit of accommodation and co-operation, and have to meet that of separation and independence. We are reaping the whirlwind because we have sowed the wind. How ardently must we wish that we could now bring back the conditions of 1913 which the Unionist Party destroyed with its threats of rebellion and its methods of "Bolshevism": how simple were the issues then but for malicious interference: how gladly would we now embrace the proposals which the vast bulk of Ireland was then willing to accept.

The Irish dilemma is only too plain. We have either to coerce Ireland under a military occupation and martial law with murder as a

daily incident, or recognise its right of self-determination with all that it may involve.

Undoubtedly, self determination is the proper foundation for our policy. Its extreme expression in an independent Irish republic is an issue that would not be welcomed by anyone who wishes to see the harmonious development of the relations between Ireland—including Ulster—and ourselves. And yet, our only safeguard is to give Ireland liberty of choice. A Constituent Assembly elected on the basis of Proportional Representation so that no political fury can crush out minorities and no sectional majorities can deprive the finer shades of opinion of representation, should be called to consider and resolve upon the form of self-government that Ireland really asks for. For it is by no means clear at the moment when this is being written that the majority of Irishmen seek an independent republic. When Ireland has been cheated and its Nationalist movement smashed by the hands of the British Government, of course Ireland runs to extremes, and in a spirit of flintiness demands these extremes. Whilst that condition of things lasts, Ireland will be irreconcilable. The problem of the Government which proposes to give to Ireland

the right of choice through a National Convention is how in the meanwhile it is to get Ireland to see the serious gravity of its choice, and secure such a decision as will offer a true ending to the unhappy relations of the two countries. The stumbling block is indeed the old unconstitutional minority in Ulster, but the amount of mischief that it can do will be substantially limited by the attitude of Ulster labour, which now is showing evidence that it is tired of being made a political and rebellious catspaw by hostile economic interests. The Ulster agitation at the source of its initiation is indeed far more economic than it is religious or political.

Scotland and Wales by right would receive the same treatment as Ireland (it is a pity that this must be written) has won by violence.

In all these questions of nationality with their attending menace to the peace of the world and to our own security as a nation, we have to fall back upon the organisation of a League of Nations, so strong in its representative character and so dignified by its powers and respect that questions of national defence sink into the background of solved problems. Demands for freedom which once would have meant, and at the moment still mean, intolerable risk, will

then mean more peace and security. This is the critical moment when the world can protect itself by arms or the lack of arms. By the former, the protection will be apparent but not real, by the latter it will be unassailable. The moral and spiritual claims of nationality cannot be fully recognised in a world under arms. Until they are recognised, there can be no peace and no security. In that dilemma the world is to-day. Security by the League of Nations with its possibilities of national freedom is in declared enmity to security by arms with its necessary political policy of holding nationalities in bondage.

The Government would proceed at once to the Nationalisation of mines, railways and the supply of power, for in this it sees not only the economic and harmonious working of these essential industries but the beginning of the moral union of the community. The Government would at once set up, in connection with these, appropriate systems of administration which would forbid bureaucracy and secure and encourage the free play of intelligence and initiative in management on the lines I have already indicated.

Somehow in this way it would begin its

legislation. But the offices in Whitehall would hum with a new industry. The administration of Labour would be as new as its legislation. Its influence, exerted in a thousand different ways, would be to advance liberty, to set people on their feet, to give Labour responsibility, to produce the citizen of robust mind and of faithful service, to curb the powers that do injustice in the State and that exploit and break men.

Thus it would launch its ship. If it failed to arouse a keen interest in its voyage or if it could not awaken a new and more intelligent interest amongst the people in the great concerns of the State and the world, it could not bring its ship into port. But then the wreck would be that of the hopes of mankind and the broken spars that would be washed ashore would be treasured by those who must in due time inspire the deeds of men and lead them if moral and intellectual progress is more than a vain dream.

CHAPTER X

CONCLUSION

THE life of a Party is ideas; it may be class ideas or national ideas, narrow ideas or broad ideas, but it is ideas. It must believe, if it is a class Party, that it stands for something more than the interests which it primarily serves. So the Labour Party, like the Coalition Party or the Liberal Party, may only be under the delusion that it is a true National Party. If the matter had to be left there, then indeed should we be like men without faith, because as a purely class Party the Labour Party will fail and ought to fail. My trust that we have at last reached solid foundations of a national policy rests in this, that whereas the present principles and outlook of Coalitionists and Liberals cannot be regarded as anything but class and are in their very nature incapable of comprehending the interests of the great mass of working people, the ideas of the Labour

movement do comprehend the interests of all classes that give service to the community. The Labour Party as a machine may reject its ideas or fail to embody them. Its Parliamentary representation may be inadequate in personnel and it may select as leaders (or submit to have selected for it as leaders) men unequal to the task. Should that happen, it will soon come to naught and will sink to the position of a small group which will have little influence in the great issues of State. What I have written in this book will still remain true, but will become the possession of some other Party which will know better than the Labour Party how to pilot Society on its voyage to more desirable places. The Independent Labour Party in particular would again try its hand in gathering together an opinion and a mass to become the political custodians of the Great Industrial Co-operative State. For, though bad Parties may hamper good ideas, the ideas in the end prevail and take upon themselves an appropriate political body.

At this moment when so much that is old has ended suddenly in catastrophe and disillusionment, it may be that the very idea of Party may appear to hamper the birth of the

new. Men do not lightly cast off Party traditions. Liberal Thirty-nine Articles are subscribed to long after they are an outworn creed, and so it is with other Parties. Parties live after they are dead. Party government will survive as a necessity long after our day and generation. Men of common political aims will come together and act together, and put up with each other for the sake of common causes and interests. They must do so. Wars are not fought by soldiers, but by soldiers organised—not by individual prowess but by comprehensive plans in which all have a co-operative part to play. Union is not only strength, it is life.

The exigencies of elections—the quarrelling of people who may nevertheless be in substantial agreement, the splitting of votes leading to the election of minority representatives—may indicate the desirability of coalitions and understandings, and the rigidity of the Labour Party may therefore, for the time being, create some awkward electoral situations. The Labour Party is now, however, the second Party in the nation, and it has a duty imposed upon it to prevent the growth of traditions against it and, in every constituency in the country, offer its

candidates in order to create Labour supporters everywhere. This duty the Party will neglect at its peril. It may, and it does, support changes in the law of elections, which will prevent the return of candidates upon minority votes, but it will not give up its duty to contest everything which promises a support worth recording. The duty of electors who believe in it is to take courage and support it. If the relative strength of Parties in Parliament necessitates groupings in order to form governments, that problem must be faced when it arises, but marriages of convenience in constituencies for electoral purposes are, as a rule, immoral, lower the spirit of public life, and reduce politics to transactions made over a counter. Our experience of a coalition for elections ought to last us for a generation at least. The Labour Party must fight its own contests and appeal to the country for support for its own ideas.

The growth of the Party and the way in which the idea that it is in some special way a menace to Society, has made large sections of people flutter round that Will o' the Wisp, a Party which in itself gathers up all the national interests, all the opinions all the ideals that

make for stability and progress. This is an abortion of feeble politics. No Party contains all the law and all the gospel. A Party may be national in its aims but it does not thereby monopolise the right to be the only National Party. There are different angles of vision, different philosophies of the State and the community. The representative assembly must be a place, not where opposing and different groups have found an average or compromise peace and truth, but where they meet each other and progress proceeds from their clashing. At the growing point of Society there is conflict of minds, of groups, of proposals, of philosophies, and the thrill of the conflict is life, clean vigorous life ; whereas the absence of it is somnolence, bureaucracy, public apathy. The idea of a National Party is only our old enemy " the continuity of foreign policy " in a new garb and on a new stage. It receives hospitable welcome only from stupid people. Parliament becomes national in its representation by containing within itself the advocates of all important and responsible schools of political thought working in freedom, and not in bondage to a compromise. Only those who have cause to fear, really do fear discussion and the state-

ment of a case, whereas those who truly believe in the essential rightness of things are concerned with providing that everything shall be discussed and that people should have enough intelligence to take part in contributing to the discovery of truth and its accompanying wisdom.

If the Labour Party is to help the country as it might, it must grip fast to its simplicity and directness. Government conducted in a straightforward way by men whose minds, though seeing the complexity of many problems in their actions and reactions, are yet not of the tortuous order, would mark a new stage in democracy. The country needs reality in legislation and would be blessed if the doors of Parliament could be barred against demagogues and triflers. A man who can look on (and perhaps lend a hand) and with unruffled, (perhaps even amused) mind behold great things and institutions cheapened, is no friend of his people. If Labour could give us a new Parliamentary spirit and a new start in the manner of conducting public affairs, much else can be forgiven to it.

Throughout this book I have been trying to get readers to look upon politics from a new angle of vision and with a fresh mind. I close

it with a reiteration of the conviction that we must without delay discover new class alliances and affinities, mainly because that is a moral necessity, but also because economic changes owing to the war have made it politically necessary. We must think of a Society of many economic and social functions but only of one class—the useful class. We must begin to work at that spiritual unity which class destroys. Therefore we must understand each other. It is not differences in thought and knowledge that divide men, but differences in ignorance. The old prejudice against Labour is baseless—baseless in idea and baseless in fact. Modern tendencies crush the middle and professional classes even more than they do Labour. The rise of the Trust, the increase of taxation, the weight of a dead debt, the power of the financier, the increase in watered industrial capital, the raising of prices, rest with more crushing weight upon the middle sections of Society than they do upon the two ends. Social prejudice cannot continue to make these burdens tolerable; a false gentility cannot make worry and oppression acceptable. The war and its results call for a new political and social mind, a new political and social policy, a new political and social

union. Our people must think more and their thoughts must be turned to the hard and bare facts of experience. They must revise their opinions beginning at the beginning. Labour and its leaders have been misrepresented to the mass of newspaper readers, whose views upon both are grotesque. People under the inspiration of fear or of ignorance may continue to regard a great movement of the intelligence and the moral nature of man as something vague and terrible, something unjust and malicious, and may go on expressing their ignorance and their fear by the use of such terms as Bolshevist and Bolshevism. That solves no problems and majorities elected on that clap-trap give Society no protection. That, indeed, creates Bolshevists and Bolshevism by the recoil of baffled reason against the granite bulwarks of ignorance. None of the grandiose moral expectations of the war harvest have been fulfilled. The world has been left a prey to more bitterness between classes and nations, more hatreds both national and international. Is everyone to stand aside whilst this harvest is being reaped by the ignorant, or the feeble, or the wicked? I hope not.

Understood and examined in a proper way,

the Labour movement takes Society as it is with its good and bad, its triumphs and failures, its gains to be conserved and its errors to be removed, and in the scientific spirit of applying experimental means to desired ends, it seeks to transform it into a greater perfection. After the war, it comes not only to heal but to re-invigorate—not to preach Peace, Peace, as a namby-pamby doctrine, but Progress, Progress as a manly one. History is its councillor, Science its guide, Politics its means. Society, girding up its loins for a new pilgrimage towards sweetness and light, setting its foot again upon the road leading onwards to righteousness, has called up the Labour movement to its aid, and has given the Party a vision and a policy. Will the country give it a majority ?

THE END

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